The Financial Post

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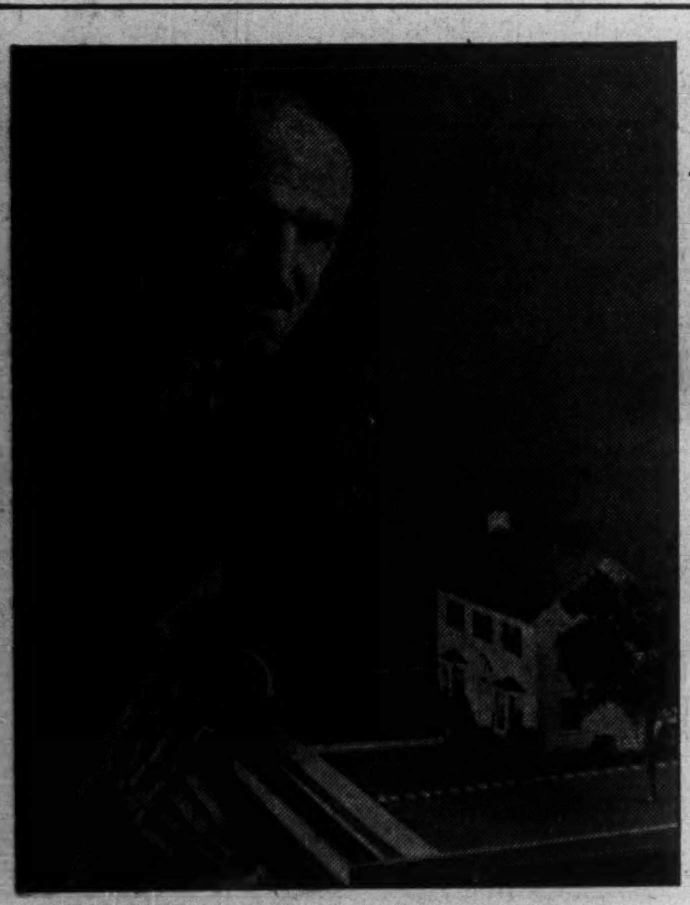
Construction's Top Man



Allan Crawford Ross last week at Quebec City became titular head of the nation's construction industry. As new president of the 30-year-old Canadian Construction Association, Ross, Ottawa building contractor, assumes national leadership of an industry which in 1947 grossed $1 billion in building and maintaining hospitals, highways and houses, power plants, factories, schools, stores, churches and the rest.

THE NATION'S BUSINESS

Real Price Probe Will Be Welcome

Canadian business will welcome any real investigation into prices. It has nothing to hide. If the general public gets a better understanding of how our economic system operates then the money and time spent on the coming probe will not be wasted.

There should be no hopes, however, that this or any other investigation can stop the steady rise in prices, let alone reverse the trend. The only thing that can do that, is more production; bigger crops of food and a much greater flow of industrial goods. So long as there are more buyers than goods there can be little hope of prices easing.

A real investigation should make that point abundantly clear. A witch hunt will merely play into the hands of the soapboxers who have been screaming about profits but utterly ignoring the hard facts behind the postwar price rise. There must be a few cases of profiteering. By all means let them be exposed and punished. But Ottawa has always had the authority for dealing with that sort of thing, and honest business welcomes that dealing just as much as the general public.

But the average citizen will expect Chairman Paul Martin to lay bare the full story of all the costs that go to make up prices. His job should not be to seek scapegoats, but the facts.

* * *

Ontario Lawyers Below Par?

A scathing indictment of Ontario lawyers, their professional training and standards, was fired off last week by the editor of a student publication at Osgoode Hall, Toronto.

In an editorial in Obiter Dicta, R. W. Macaulay declared among many other things: that the Government would step in unless the profession redefines its purposes, re-examines its role and reorganizes its technical training. Complete reorganization of the curriculum is most urgent, he says.

A thick blanket of silence has followed the Obiter Dicta blast as is common when impious youth comments on the works of the aged and the mighty.

We don't profess first-hand knowledge of the situation, but we found the following information about Osgoode Hall Law School interesting.

A few years ago, Osgoode Hall applied for admission to the National Conference of Canadian Universities, a body concerning itself with teaching and other standards in senior Canadian educational institutions. Osgoode Hall was rejected, our informant says, because of its inadequate standards.

The Association of American Law Schools is another body concerning itself with educational standards, another association to which, we are told, it would be expected that Osgoode would belong. It doesn't. Standards are not adequate for membership.

Graduates of most Canadian educational institutions, general or professional, are welcomed, and often eagerly sought by outstanding graduate schools in the United States. Harvard Law School, however, will not, as a general rule, we are told, accept Osgoode Hall graduates. That is a situation which does not apply to most other Canadian law schools.

Education alone won't make great lawyers nor great citizens. But it does raise the general level of competence. Perhaps the words of the critics can't be shrugged off too easily.

* * *

Mr. Wrong Tells Americans

At the present time Canada's needs and problems are more than usually misunderstood in United States, hence the speech of Ambassador Hume Wrong to the Canadian Society of New York last week was especially important.

Mr. Wrong made these points:

1. That Canada is already "at the end of the line" in giving assistance to Europe. Mr. Wrong's figures: that the $1¾ billions of Canadian postwar credits compare with $8 or $9 billions of corresponding U. S. aid. If the United States had made credits equal to those of Canada, the total should have been $21 billions on the basis of relative population.
2. That U. S. tourists are still welcome in Canada. Mr. Wrong pointed out that there is still plenty of food in plenty of variety in Canada.
3. That Canada is reasonable in her insistence that trade be made more of a two-way street. (Mr. Wrong noted that in 1947, some 12½ million Canadians bought $2 billions of goods from the U. S. A. or $160 worth per capita, while 145 million Americans bought only $1 billion of Canadian goods or an average of less than $7 per capita.
4. There are several ways in which this unbalance must be corrected: (a) More Canadian exports to U. S. A., and in more fully processed form; (b) production of goods for U. S. or dollar markets in the Canadian subsidiaries of U. S. branch plants.
5. Why not continue the share-and-share-alike philosophy of the Hyde Park agreement indefinitely?

Mr. Wrong made no bones about the fact that lower U. S. tariffs on Canadian goods would be necessary. He cited the examples of newsprint and fine paper:

"If it is a sensible and economical thing to buy the finished newsprint in Canada, why is it not also a sensible and economical thing to buy other forms of paper there? But the tariff prevents the importation of these higher grades of paper and the duty would have to be cut before the manufacturer of them in Canada could sell in this market."

There will be few Canadians who won't say "Amen."

The pity is that this story isn't being told more effectively and more often, by Canadians to Americans.

How Will Movie Industry Balance U. S. Dollar Deficit?

Will More Feature Films, Shorts and Canadian Scenery For Background Shots Answer Possible $3 Million Cut in Quota?

Already badly rattled by dollar difficulties first in Britain and then in Australia, the Hollywood motion picture industry appears to be facing more of the same exchange trouble in Canada.

So far there's been no talk of blocking remittances for film rentals as in Australia or imposing a tax as the United Kingdom did.

But if the industry isn't able to achieve voluntarily some sort of balance in its annual $10-million U. S. deficit, it might come to this, The Post is told.

Rather than submit to this, Hollywood would probably cut down Canada's supply of films in accordance with the dollar quota which Ottawa might set, a source close to the industry suggests. This could mean a substantial cut in the movie fare of the four million Canadians who go to shows every week.

According to a report out of Ottawa agreement has been reached on dollar-conservation measures. If so, this is news to the industry.

The agreement is reported to have been reached by J. J. Fitzgibbons, President, Famous Players Corp. and Trade Minister Howe after the latter's warning that the industry would have to cut down its unfavorable trade balance.

Fitzgibbons was not available for comment in Toronto But a Famous Players spokesman would neither confirm nor deny the report.

In offsetting such a situation, little aid could be expected from Britain, it is stated. Of the 470 films shown in Canada in 1946-47 only 266 were British. This year, despite the "break" given them by dollar restrictions, this relatively small number will be only slightly increased.

Along with other users of large amounts of U. S. dollars, the industry has been told to cut down or induce its U. S. parent to offset the dollar outgo by doing some of its producing in Canada.

One-Third Cut in Budget?

The Post is told that Ottawa wants to cut the industry's dollar budget by one third. (This is what Australia just did). For the year ending Mar. 1947, the industry had to have roughly $10 millions U. S. Thus, Ottawa appears to be out to save $3 millions on movies.

To try and find out how to do this and perhaps head off a third international movie crisis, one of Canada's top film executives high-tailed it for Hollywood a week ago in response to an urgent SOS.

He is expected back next week with the industry's answer to Ottawa's broad hint. Part of the answer is expected to be a proposal to do more than mere token film work here.

Mentioned specifically are: background shots; shorts, documentaries and the occasional full-length feature.

One Hollywood producer-writer team is already in Montreal but whether this is mere coincidence or has any connection with the dollar problem is not known. The team is reportedly interested in doing a film on the Riel Rebellion with strong CPR overtones.

Whatever is done along this line will be merely of a temporary nature, The Post is told, and dependent entirely on how long it takes to ease Canada's dollar pains. Hollywood has no inten-

(Continued on page 2, col. 4)

U. K. Prices May Defeat Textile Austerity Edict

High prices and too-sober stylings may stymie the greater part of Britain's drive to fill the Canadian textile gap created by the Government's import restrictions on U. S. supplies. This was the opinion given The Financial Post this week by leading officials in the Canadian clothing industry.

And, according to these officials, the Canadian industry cannot wait longer than the end of March for a British price-style revolution. By that time the inventory position in Canadian factories will be acute and reversal of the restriction on U. S. buying will be sought if the U. K isn't delivering the goods.

The situation appears most acute in the cottons field. One large wholesaler, for example, said the British were asking almost double the Canadian price for cotton fabric of the same quality turned out in Canadian mills. The British price was 65c a yard, the Canadian 35 to 37c.

This would mean that men's shirts of identical quality would be selling in the $7-9.50 range when made from British fabrics as against $5-7.50 for the Canadian.

At the same time, the British shirting would not meet the Canadian taste for American-inspired brighter colors and snappier patterns.

In short, the trade felt that a long hard pull was ahead in breaking a consumer resistance to greatly increased prices and soberer stylings, resulting from current U. K. offerings. And they didn't think the U. K. had much chance of supplanting U. S. supplies at present.

Cotton work clothes would also be hard hit. There wasn't a hope of getting the necessary cheap, durable lines from U. K. sources.

These were the main snags the industry saw in the U. K. offer of 100 to 150 million yards of cotton goods this year. (The Financial Post, December 13, 1947). They did see, however, that much could be done in a longterm way, as a result of the current U. K. effort to develop lines more suitable to the Canadian market (The Financial Post, Jan. 31) if combined with the necessary price reductions.

Brighter Woollens Picture

A much brighter picture emerges in the woollen lines,

(Continued on page 2, col. 5)

Franc Devaluation Alarms Canadian Wine Producers

Worried wine producers met in an emergency session in Toronto this week to deal with the new threat to their industry raised by devaluation of the French franc.

Coming on the heels of the Geneva agreements, by which Canada's tariff on imported wines was reduced, the Paris monetary juggling will lower still further the price of French table wines in Canada.

"Caught between these economic factors and the relentless annual increase in grape prices, this home industry (worth $20 millions in capital investment) must have protection if it is to carry on," states A. G. Sampson, president of the Wine Producers' Association.

The special meeting decided to send a deputation to Ottawa to seek redress.

Our U.S. $ & Gold Holdings Up; Not Yet Comfortable—Abbott

OTTAWA (Staff)—As at Jan. 29, Canada's holdings of U. S. dollars and gold totalled $514 millions, according to figures tabled in the House of Commons last week by Finance Minister Abbott.

This is an improvement of $53 millions over the low point of $461 reached on Dec. 17.

At the year end, total reserves had risen to $502 millions as compared with $480 at the end of November.

Said Mr. Abbott:

"I would not wish to suggest that this rise in our reserve position which has been going on since about the middle of December would continue without interruption or that we have as yet reached a level which would be regarded as satisfactory. Undoubtedly there will be periods when our reserves will fall off for a time."

"I do not venture to prophesy how long it will be before we shall be able to build up our reserves to what I would call a satisfactory or comfortable level as a result of the various long-run measures we are taking to get our economy into a better balance with the United States—we may later deliberately draw on the loan which we negotiated at Washington. I say that now so that members may not jump to misleading conclusions when and if we actually begin to draw on that loan."

Will Bank of Canada Report Deal With Interest Rates?

OTTAWA (Staff) — Annual report of Governor Towers of the Bank of Canada is expected to be released early next week.

The bank directors received the report at their first 1948 meeting held here on Monday of this week. According to statute, the report must be in the hands of the Government not later than Feb. 11.

One point of considerable interest is the extent to which Governor Towers will discuss the level of interest rates this year. No statement of policy on this matter has been made by the bank since 1944. At that time the bank announced a change in its rate from 2% to 1½%.

Recently the bank announced an important change in procedure whereby it no longer announces firm prices for government bonds. It now accepts firm bid and offer prices from dealers. With the result high premiums for long-term government bonds have been knocked down by several points.

Most significant statement made by Governor Towers in his 1946 report was his prophetic comment that "Canada cannot continue to sell on credit in overseas markets while she is incurring a substantial cash deficit in her balance of payments with the United States."

PRICES

Will the sales taxes go, be pared? And if such relief should be forthcoming what will be the effect on the still-rising cost of living?

What, in fact, was the score?

Sales taxes: In foods, main items affected were bacon and ham, canned goods. Abolishing the 8% tax should cut retail prices in all varieties of bacon and ham 5c to 7c a lb. In clothing items, for example, the $4.50 shirt would be clipped to $4.20, the $8 pair of shoes to $7.40.

And if all sales taxes went even bigger savings could be effected, for the tax is a hidden cost on a large percentage of all manufacturers' materials.

Ceilings: Texas cabbages were back and the ceiling was set at 9c a lb. in all but northern areas where another ½c was tacked on. The ceiling was a shade higher than the trade was anticipating as a fair price. And there was a chance it would be short-lived. Said importers: more cold snaps down south and the price will go up beyond what we're now allowed to pay—5½c-6c a lb., so there'll be no cabbage unless the ceiling's raised.

Meat: Retailers hadn't a hint yet what the new ceilings would be, when they'd get their schedules, but were sure prices would be no less than "fair" prices of three weeks ago which still prevailed. Meantime buyer resistance was still being felt. Some difficulty was being experienced in setting ceilings, they felt, because of a growing scarcity of good beef on the market. Beef but one-third finished, they claimed was now hitting the mar-

(Continued on page 2, col. 6)

Can. Celanese Thermoplastic Fabric Ready

MONTREAL (Staff)—Fabric from Canadian Celanese new Sorel plant is being delivered for the spring and summer trade, Executive Vice-President C. W. Palmer informs the Financial Post. This plant manufactures yarns and fabrics made from acetate staple, which is produced in the company's Drummondville plant.

Mr. Palmer states that the company is turning out a new type of material of a wool-like nature designed for use in suitings, shirtings and upholstery. Company researchers have developed a thermoplasticity in the yarn used, said to result in several desirable features in the fabric.

From the male viewpoint, one of the best features, according to Mr. Palmer, is the ability of fabric made with thermoplastic yarn to take and hold a crease. Other advantages include resiliency, dimensional stability and non-absorbency. A wide application for this type of fabric is foreseen, Mr. Palmer states. Production from the Sorel plant can find a complete outlet in the Canadian market, he believes.

Construction costs for the Sorel plant came very close to estimates, Mr. Palmer stated. Where possible, machinery was obtained from England, but in most cases it was found necessary to import from United States. It was announced last year that the Sorel plant called for capital expenditure of between $3 and $4 millions. To train employees in the handling of the new machinery, the company started a training school early last year. This has been eminently successful, and is being continued, Mr. Palmer states.

May Increase Employer Share Jobless Pay

OTTAWA (Staff) — Awaiting Cabinet decision is a new measure intended to increase unemployment insurance benefits throughout Canada and revise the level of employer contributions. Maximum benefit under the proposed act would be $18.30 instead of the present $14.40 a week.

The new proposals are identical with the recommendations made almost two years ago (May, 1946) by the Government's Unemployment Insurance advisory committee. Although these proposals were the subject of a public hearing in June, 1946, and were reported on at that time by the Government Actuary, A.D. Watson, no action was taken. Last year instead of acting on the committee's recommendations Minister of Labor Mitchell merely tabled the report.

In 1946, in making his report to the Government, Mr. Watson pointed out that the insurance would be $27 millions poor by April, 1947, because under existing scales, employer contributions were not equal to those of employees.

When the fund was set up in 1941 it was intended that these two contributions would be equal. But in point of fact, fund receipts had fallen $23 millions behind as at May, 1946. Percentage-wise, the "gap" was between 6% and 8% of receipts. This is due to the fact that employer contributions are presently on a sliding scale and in the higher income brackets (class seven for example) employer contributions are only three quarters of the employee contribution. As income levels rose the gap has tended to increase. The present lag, on the basis of the Watson figures, is probably between $30 and $35 millions.

Under the new proposals, employer and employee contributions are to be equal in the higher income brackets. Thus in class 7 where formerly employers contributed 27c and employees 36c, both would now be called on to contribute 36c weekly. In this class the new benefit rate would be $15.60 in place of the present $14.40. Class 7 covers employees who are earning between $26 and $34 a week.

As well, under the new proposals an entirely new class for workers earning $34 or more per week would be created. Benefits in this class would be $18.30 for a person with dependents, and contributions of employers and employees would be 42c weekly.

Fuel Oil Future Still Uncertain

OTTAWA (Staff)—There is every expectation here that the proposal for Canadian companies to cut back their fuel oil 50% during February, March and April will be accepted by United States without further impairment of oil shipments from that country.

This means that by drawing on our reserves and crude oil imports (which are not affected by the restriction at present) there should be no difficulty in getting over the present winter period.

What will happen to over-all crude imports and to fuel oil imports and gasoline supplies for the summer and for next season is still uncertain.

Canada would like to be able to stock up during the summer as she did last year in anticipation of winter needs. This relieves transportation and other U. S. facilities during the winter and makes it easier for the U. S. to service its own consumers. Whether this will be permitted for 1948-49 remains to be seen.

What Price Relief If Sales Tax Cut?

That's the Question Facing Business – Most Foods Now Free of Levy – Ottawa Considers Possible Effect on the Inflationary Spiral

By KENNETH R. WILSON

OTTAWA (Staff)—Tax experts don't think Mr. John Public should throw his hat to high in the air at the idea that he may get big 1948 price relief through easing of the 8% sales tax.

Currently, this tax is yielding the Govenment $325 millions. That is about $40 millions for each 1% of tax.

But the tax already excludes almost all foodstuffs. Apart from canned goods and canned meats and processes, there is hardly an important item of food that isn't already free from the 8% levy.

Some of the important exclusions are: bread, butter, cheese, cream, eggs, honey, ice, lard, salt, sugar, milk, condensed and evaporated, powdered and fresh milk, vegetables and fruits in their natural state, fresh meat and poultry, bakers' cakes, pies, etc., maple syrup, natural products of the farm. More recently the tax was lifted from gas and electricity.

Main incidence of the tax is on clothing, textiles, boots and shoes, house furnishings and most manufactured goods.

How Would Consumer Benefit?

But here again, tax experts warn that even if the entire 8% levy were to be lifted entirely, there is no assurance that the benefit, under present conditions, would be passed on to the consumer.

Even during the war, it is pointed out, the WPTB made no attempt to guarantee that tax reductions were passed on to consumers. And a tax like this sales tax is something whose incidence varies very sharply with economic conditions.

One authority went so far as to suggest that if the entire tax were wiped out today, there wouldn't be much more than a ripple on the consumer front. "It would just be a nice present to the wholesaler and the retailer under present conditions of short supply and big purchasing power."

The point here is that this 8% tax isn't applied at the consumer level. It goes on at a much earlier stage in the distribution process and conditions of trade are said to largely determine how much of it is passed on to the consumer. In tough times, part or even all of the tax may actually be absorbed by the trade in lower margins. Under present conditions where margins are pretty generous, most of the tax is probably going right through to the consumer.

But were it to disappear in whole or part, it is argued that retailers and distributors might use the benefit to catch up with their own rising costs rather than pass the gain on to their customers.

Aggravate Price Spiral?

Inflation-wise, a reduction in the tax would mean just that much more money competing for goods which are in short supply. In short, any tax cuts at the present time are in theory inflationary and therefore aggravate the present price spiral rather than the reverse. That doesn't mean that there aren't going to be tax cuts under present circumstances, but it does mean that there is inconsistency in any government argument that tax relief helps cure the disease.

To the extent that sales taxation is not passed on to the public, the inflationary effect is indirect and comes out through greater spending power in the hands of the merchants, wholesalers, etc.

As previously pointed out (The Financial Post, Jan. 3) the probability for 1948 tax relief is that an attempt will be made to attack the whole field of excise taxes rather than income taxes. Last year a frontal attack was made on income taxes and a host of wartime and other excise levies were left untouched. Many of these need overhauling and in two cases, parimutuel and amusement taxes, Mr. Abott has already intimated unofficially that some relief may be expected at the next budget.

Inside News

What Makes Stocks "Best"

For several weeks past, The Financial Post has lists of stocks selected by various brokers, as offering the best prospects of security and capital appreciation over the next three years. This week The Post begins an analysis of the 10 stocks which received the greatest number of votes (p 10).

Would Ease Tax Burden

The upward trend in interest rates, and the need of easing tax burdens on individuals and on industry, were stressed by executives of life insurance companies at recent annual meetings. Their views are presented in condensed form (p 16).

Cash "Paper Profits"?

Switches in Compton's investment portfolio increase his expected annual income by $16.75, to a new high of $665.75 yearly. Since the stock market is becoming increasingly vulnerable, Compton's adviser now feels that a substantial proportion of one's "paper profits" might well, from time to time, be converted into cash. Managed Investment (p 5).

New Cheque Record

Canadian business set a new cheque record in 1947, with payments totalling $74.5 billions, 7.6% above the previous 1946 peak. All five of the Dominion's economic areas showed gains during the year, British Columbia leading with a gain of 21.8% (p 17).

Why Not Teacher MPs?

Teachers, whether in primary or high schools or in universities, should be as free as any other citizens, to seek election to Parliament, a majority of Canadians questioned by The Financial Post, agree. Some suggested a teacher should resign his or her school post, if elected; others favored granting leave of absence (p 9).

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'Ridiculous' Says Retailer On Tax 'Profit'

Commenting on the suggestion that sales tax removal wouldn't benefit the consumer, rather would "be just a nice present to the wholesaler and retailer" a Toronto department store official said:

"Ridiculous, a most damaging statement. Policy here, and so far as we know in most other establishments, is to pass on the saving to the consumer once 50% of the stocks on which we have paid tax are exhausted. So, far from getting 'a nice present' we thus take a loss on 50% of our stocks after a tax has been removed."

The Pace of Business

A modest rally featured almost all Canadian stock groups in latest week. Base metals, golds and western oils were strong points, but industrials and paper also better. Wider public participation in market noted.

Steel ingot output was 2,854,532 tons in 1947, an increase of 26.6% over 1946 when strike slowed production. Output was 3.6% lower than peak wartime output year of 1942. December output totalled 241,065 tons.

Wheat flour production reached lowest total since July, 1942, in December, due to low carryover stocks of wheat from 1946 crop and relatively small 1947 crop. Output was 1,691,610 bbls. compared with 2,159,483 bbls. in November (2,350,040 bbls., December, 1946).

Car loadings for week ended Jan. 24 declined to 71,724 cars from 76,307 in preceding week, but were 1,222 cars or 1.7% above same 1947 week. Due to strikes, coal car loadings off sharply in western division with only 1,947 cars loaded vs. 3,533 cars in 1947 week.

Sawn lumber output dropped sharply to 310,272 M board feet in November, from 438,216 M board feet previous month; but showed little change from 316,593 M board feet of same 1947 month.

New motor vehicle financing in December totalled $4,209,133 for 2,640 units ($1,354,146 for 1,341 units in same 1946 month).

Stock yields moved lower on Toronto Stock Exchange in week ended Feb. 2, Moss, Lawson & Co. reports. Average yield on all groups was 5.38%, down 0.06% from previous week.

Business failures in Canada totalled 10 in week ended Jan. 29, compared with 12 in previous week and seven in same 1947 week (Dun & Bradstreet report).

Ontario gold mine output totalled $5,758,750 in December, highest since June, 1947, Ontario Department of Mines reports. Average recovery of $8.95 a ton was also highest since June.

Mackenzie Named Deputy Head Import Controls

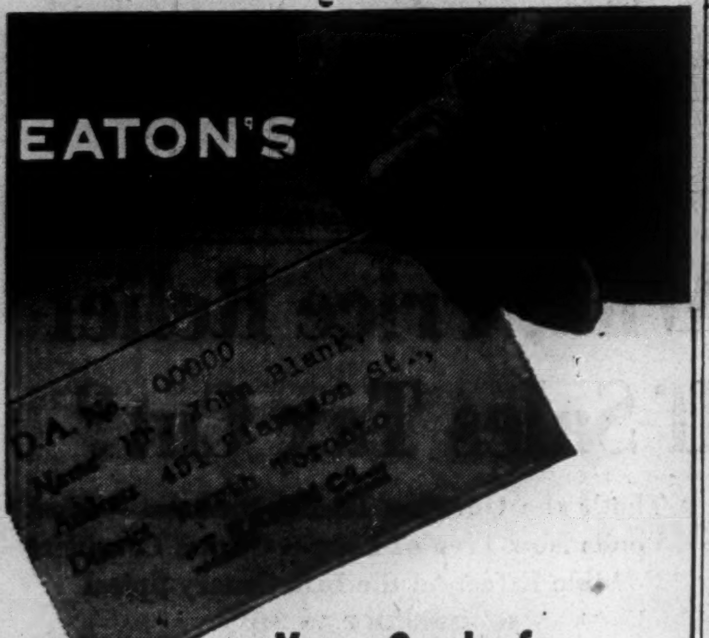
OTTAWA (Staff) — Effective Feb. 1, Max Mackenzie, Deputy Minister of Trade and Commerce, became the effective deputy head of all import controls administered by Trade Minister Howe.

Under the recent Cabinet shuffle, it was announced that Commander Edwards was to be Deputy Minister of Reconstruction and Supply but only for those air services for which Mr. Howe used to be responsible.

The main work of Reconstruction and Supply which includes capital goods, import controls, automobile quotas, movie industry restrictions, etc., now come directly under Mackenzie as Mr. Howe's deputy.

First important announcement is expected to be the new plan for automobile dollar allocation.

EATON'S



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EATON'S

War Charity Contributions Deductible Only if Approved

Stiffening of income tax regulations permitting taxpayers to deduct contributions to war charities when computing tax, is indicated in a directive by the Deputy Minister of National Revenue.

In the earlier years of the war, any charitable organization approved by the Minister of National War Services was regarded as qualifying as a charitable organization for income tax purposes and donations to it were deductible for income tax purposes. Considerable discretion was left to district income tax inspectors and, it is believed, rulings were generally lenient.

Since the war ended, other organizations, it is understood, have been started which under the guise of erecting war service memorials, recreation halls, etc., have contended that donations made to them should be tax free in the hands of the taxpayer. Net result has been lack of uniformity in different tax districts.

It is now proposed to bring in a set of uniform regulations, establishing certain charities as "approved" for income tax exemptions. Here are some questions which have arisen and the answers:

What war charities are now eligible for income tax exemptions?

Only those registered under the War Charities Act of 1939 and previous to the amendment of the War Charities Act, effective June 27, 1947.

How long will these exemptions continue?

Only until Dec. 31, 1948 unless, meanwhile, the organization concerned has submitted its bylaws, etc., to the income tax department and been "approved" under the Income War Tax Act. The situation will then be somewhat similar to that affecting corporation pension plans, payments into which are deductible only when the plan has been approved.

What happens in the case of war charities not registered under the War Charities Act?

If donations to these have been allowed previously, they will continue to be allowed until Dec. 31. After that they will have to be approved or deductions will not be allowed.

What happens to organizations established since 1947?

Donations to these can be allowed only when the organization is approved by the income tax division.

How can approval be obtained?

Application must be made on forms obtainable at the local income tax office giving full particulars.

Austerity Aids Simpsons Get West Coast Offices

This week, the Robert Simpson Co., with an assist from Canada's import restrictions, had, for the first time, a coast-to-coast network of stores and mail order offices.

In the east, three order offices were opened in Newfoundland; in the west, Simpson's took over two Sears Roebuck offices in Vancouver and Victoria.

Canada's dollar restrictions entered the picture in the acquisition of the Sears Roebuck branches. The United States firm found it almost impossible to do business in Canada since the restrictions have been in effect.

The decision to quit Canada—for the time being at least—was "fortuitous" for Simpson's, an official of Simpson's told The Post, in that it accelerated the company's westward expansion.

Simpson's has nine order offices in the interior of B. C., but this is the first time it has been represented on the Pacific Coast.

An official in Toronto declined to estimate the sales volume involved in the B. C. transaction, except that to say it was "fair." Spokesmen appear to consider far more important the fact that Simpson's is now on a sound foundation in an area where it had been the weakest.

The deal is clean cut and permanent, it was stated. It is not a temporary arrangement whereby Simpson's will operate the order offices until dollar controls are lifted and Sears Roebuck can again do business in Canada. If the latter firm re-enters Canada, it will be on a "from scratch" basis, it was stated. The Victoria and Vancouver offices were opened a year ago. Besides taking over the offices, Simpson's took over the Sears Roebuck staffs as well.

In the last few years Simpson's has made rapid strides toward its goal of a coast-to-coast organization acquiring the following:

In 1944, Smallman & Ingram, London, the largest department store in Western Ontario.

In 1946, the R. H. Williams department store in Regina

In 1947, the internationally famous Michie & Co., Toronto

In 1947, additional property in Montreal for expansion of selling facilities.

In 1947, properties in Toronto for future development.

In addition, the whole mail order department has been strengthened.

T.S.E. Short Interest Down

The semimonthly short-selling report of the Toronto Stock Exchange as of Jan. 30, 1948 shows the aggregate short position eliminating odd lots on the books of member firms at 430,750 shares of 139 issues compared with 437,110 shares of 140 issues on Jan. 15.

Among the principal changes of short positions in mining stocks were: Osisko down 11,900 to 33,600; Macdonald up 10,400 to 17,100 shares; Silver Miller down 7,000 to 26,000; Beaulieu up 5,500 to 18,500 shares; Heva up 6,100 to 10,600; Pen-Ray down 5,000 to 1,000.

Among the industrials the chief changes were: Dominion Foundries & Steel up 1,175 to 3,000 shares; Dominion Steel & Coal "B" up 1,000 shares to 1,500 shares; Winnipeg Electric common down 600 to 850; United Steel down 400 to 625 and Argus Corp. up 300 to 1,475 shares.

Bathurst Power Is Hinted Buying Quebec Pulp Corp.

MONTREAL (Staff) — Bathurst Power & Paper Co. has sold $3.5 millions of first mortgage bonds, The Financial Post understands. It is understood that a prospectus has been prepared but selling so far has been confined to financial institutions. In view of this, it is thought that the entire issue may be taken up by private sale.

While no formal announcement has been made, financial circles contacted by The Post indicated that the issue consists of $800,000 of 3% and $2.7 millions of 20-year 3¾% bonds. It is reported that proceeds will be used to buy timber limits; and that approximately $1 million or $1.5 million may be used to purchase an interest in Quebec Pulp & Paper Corp. in bankruptcy since 1942.

Whether the timber limits referred to comprise those owned by Quebec Pulp or others is not known. In 1944, value of Quebec Pulp's timber holdings was estimated at around $2 millions.

13 MPs Will Probe Prices

OTTAWA (Staff)—Kenneth W. Taylor, chairman of the W.P.T.B. is expected to be the first witness before the special House of Commons committee on prices.

Hon. Paul Martin, Minister of Health and Welfare has been named chairman of the committee. He is flanked by four parliamentary assistants: Ralph Maybank, R. W. Mayhew, Robert McCubbin and R. H. Winters. There will be nine Liberals, four Progressive Conservatives, two CCF and one Social Creditor on the 15-man body.

Terms of reference give the committee power to examine and report on:

(a) The causes of the recent rise in the cost of living;

(b) Prices which have been raised above levels justified by increased costs;

(c) Rises in prices due to acquiring, accumulation or withholding from sale by any persons, firms or corporations of any goods beyond amounts reasonably required for the ordinary purposes of their business.

U. S. Dollars For the Movies

(Continued from page 1)

tion of permanently doing much of its producing outside Hollywood.

Other Work in Canada

As for developing processing, most of that work (except technicolor) is already being done in Canada. Canadian movie distributors only import one negative of each film (last year 470 were brought in). Prints are then made from these either by Associated Screen News in Montreal or Audio Pictures, Toronto.

Last year, these 470 different films brought roughly $20 millions from Canadian movie theatre operators (there were 1,502 movie houses in Canada).

Of this $20 millions, about half found its way into the pockets of the Hollywood producers; 25% went to Canadian interests while the rest was eaten up by distribution costs.

To see these 470 films (only 26 of them came from the U. K.) Canadians put approximately $75 millions on box office counters across the country.

To have this kind of an industry it takes an annual investment of over $200 millions in the U. S. and Britain, says one executive. Then he points out that six sevenths of the total receipts remain in Canada, leaving only one seventh for the producers who "make these huge investments."

In U. S. "Domestic" Market?

Quite a different view is held by some not so closely connected to the industry. They maintain Hollywood looks upon Canada as part and parcel of the American "domestic" market. Of all the non-U. S. outlets for Hollywood's products, Canada is the only one not classed as "foreign."

As such, this country, they say, has been treated as just another distribution "district" and not too big a district either. In terms of box office, Canada is probably outranked by the New York district and perhaps Michigan too. Therefore, they hold, it is not fair to separate Canada from the domestic market in comparing investment and earnings.

Now Canada's correct position as a foreign customer is being brought home forcibly. The industry is now beginning to realize that Canada's predicament is identical to that of Britain, Australia and other dollar-short countries, only to a lesser degree.

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DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Thirty Cents (30c) per share, payable in Canadian funds, has been declared by the Directors of Waite Amulet Mines, Limited, payable March 10th, 1948, to shareholders of record at the close of business February 10th, 1948.

By Order of the Board.

J. R. BRADFIELD, Secretary.

Toronto, Ontario.
February 3rd, 1948.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Alberta Government — Alex Frame, commissioner of highways.

Brantford Cordage Co.—Arthur M. James, general manager and vice-president; E. E. Smith, secretary-treasurer and a director; J. A. McKay, assistant general manager; Earl W. Scarrow, plant manager; J. C. Whitwill, superintendent.

Brunswick-Balke-Collender Co. of Canada—E. C. Gillett, vice-president and general manager; C. H. Weicker, vice-president in charge of manufacturing; G. D. Whiting, works manager; G. E. Lloyd, chief accountant; N. S. Bird, personnel manager; B. G. Smylie, manager of purchasing.

Bank of Montreal—B. E. Rogers, manager, Truro.

British Columbia Loggers' Association—James Roughton, accident prevention manager.

Bell Telephone Co. of Canada—Henry Borden, a director.

Bank of Montreal—L. L. Sinclair, superintendent, Alberta branches.

Canadian Fishing Co.—Donovan F. Miller, personnel manager.

Canadian Pulp & Paper Association—L. J. Belnap, chairman, executive board; S. L. de Carteret, Aubrey Crabtree, vice-chairman; F. J. Giffen, chairman, technical section.

Continental Life Insurance Co.—Newton J. Lander, president and managing director; Walter F. Smith, vice-president and a director.

Canadian General Electric Co.—P. W. Stout, manager, engineering service division, Vancouver.

Canadian Paint, Varnish & Lacquer Association—G. C. McEwen, Toronto, president.

Canada Life Assurance Co.—J. D. Woods (Toronto) a director.

Life Underwriters Association of Canada—W. J. H. Chittick (Winnipeg) president.

Canadian Pacific Railway Co.—Harry Stockdale, assistant freight traffic manager, Chicago; F. J. O'Dowd, city ticket agent, Cleveland; J. Gordon Guiton, city ticket agent, Fredericton.

Edmonton Bulletin—Hal Straight, publisher.

Edmonton Journal—John Oliver, associate editor.

Ford Motor Co. of Canada—H. R. Cottingham, special assistant to vice-president (Toronto); P. G. Willey, sales manager, Ford and Monarch division; W. B. Nelson, assistant sales manager; G. W. Berry, manager, Toronto branch; E. W. Bryant, manager, Vancouver; H. W. Graham, manager, Calgary; B. F. Jamieson, manager, Regina; H. W. Jamer, manager, Saint John; J. S. Richards, manager, Winnipeg; S. E. Swallow, manager, service department; J. K. McKay, head of sales promotion division; Arthur H. Love, assistant branch manager, Saint John.

J. L. Goad & Co. (Toronto)—J. B. Goad, W. J. Child, partners.

Galt Brass Co.—Hubert A. Saunders, president and general manager; Allan Holmes, vice-president; John S. McGraw, Louis L. Lang, Geo. Hancock, J. O. Beynon, directors.

Imperial Life Assurance Co. of Canada—John B. Pryde, assistant superintendent of agencies.

Lake Simcoe Ice & Fuel Ltd.—Newman A. Fairhead, general manager; W. W. Staples, assistant manager.

Liquid Steel Paint Products Co. (Montreal)—J. L. DesRochers, general manager and a director.

Maxwell-Harper Sales Ltd.—R. J. Harper, president.

Mercury Mills Ltd.—W. Alexander, secretary-treasurer and comptroller; J. W. Noble, assistant secretaray-treasurer.

Montreal Curb Market — Henri Saint-Jacques, a member.

Nash Motors of Canada Ltd.—A. E. Carter, works manager, Toronto.

National Gallery of Canada—Rt. Hon. Vincent Massey, chairman of trustees.

O'Brien Advertising Ltd. (Vancouver)—Leslie Knight, chief of creative department staff.

Ontario Labor Relations Board—P. M. Draper, chairman.

Photographic Survey Co. (Toronto)—W. A. Scott, plant production manager.

Penberthy Injector Co. (Windsor)—B. W. McClymont, president; E. S. Totten, vice-president and sales manager; E. F. Snelgrove, secretary-treasurer.

Scottish Union & National Insurance Co.—K. M. Thompson, assistant manager for Canada (Toronto).

Toronto General Trusts Corp.—J. K. Macdonald, a director.

Trans-Canada Air Lines—Gordon R. McGregor, president.

Toronto Better Business Bureau—S. C. Jones, chairman of board; Trevor Moore, vice-chairman; J. B. Priestman, secretary; E. A. Jarrett, treasurer.

Vancouver Sun—Himie Koshevoy, managing editor; R. W. Brown, editorial adviser.

Vancouver Stock Exchange—M. D. McCarthy, president; P. A. Wootten, vice-president; R. K. Farris, honorary secretary; J. H. Lamprey, honorary treasurer; F. E. Hall, A. E. Jukes, D. F. MacKenzie, Sir S. H. Lennard, A. N. Wolverton, directors.

Ward-Price Ltd. (Toronto)—Jack Butler, trade auctioneer and valuator.

H. W. Wilson Co. (Saint John)—C. Elliott Gray, sales representative, Nova Scotia.

U. K. Prices Hit Cottons

(Continued from page 1)

although the worsted supply situation is likely to remain tight.

The U. K. supply in a good many lines will be almost unlimited from now on. Children's underwear, baby wear, shawls, bed jackets, men's socks, will all be available in substantially increased volume from the U. K. this year. Prices will not be out of line with current prices, in this country, officials say. Definite improvements in packaging have already been effected and many U. K. woollen goods companies are making intensive studies of the Canadian market with a view to meeting, as far as economically possible, the current indicated demand in this country.

Supplies of worsted materials for men's, and women's suits will continue in tight supply for at least another 12 months, clothing manufacturers and cloth importers say. In the light of still higher prices charged for future deliveries of U. K. worsteds there appears little hope for any easing in prices. Against this, however, there has been a modest falling off in demand in this country for higher-priced worsteds in recent weeks. While unit volume of suit sales is off somewhat, inventory position is still on the slim side, at only about 50% of prewar.

Look For It Here

Feb. 7, 1948

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PRICES

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kets and fetching top prices. They foresaw scarcity of good beef till July, a "certain black market."

Citrus fruits: Retailers took an unexpected swing at wholesalers in Toronto, claimed the public were being "gouged by scandalous markups on the part of importers, reaching 60-70%." They cited California oranges being laid down in Toronto at $3.75 to $4.55 a case for which they were being asked $6.25 to $6.75. Said the retailers: "But we're just taking a 25% markup, 2% net profit."

Said the wholesalers: "Blame the Government, our business was just about ruined by import restrictions, we're taking what we can without prices getting exorbitant. Oranges are just as cheap now to the consumer as they ever were, cheaper in fact. They forget the times when we made but a nickel on a case of oranges."

Mexican oranges meanwhile were coming in at 51c a 7-lb. bag to the importer who charged the retailer 55c. The consumer paid 69c.

Here was a situation the Government might be looking for in its prices probe, a scapegoat for high prices.

What else was happening on the food front?

Grapefruit juice, now coming in on 33% quota from the U. S. is likely to be advanced in price as a result of frost damage in Texas. Blended juices likewise.

Chocolate may be forced up again as a result of increases in the primary cocoa markets. Manufacturers aren't keen to make advances at this time but they're feeling increasing pressure to do so. Some manufacturers are certain the nickel bar is gone forever, reported Canadian Grocer (Maclean-Hunter).

Food subsidy-control note: British Labor party women's leader Mary Sutherland has been proclaiming to Canadian audiences for the CCF the virtues of her government's subsidy program in holding the food price line. This week the British Government decided it had gone far enough, couldn't add more subsidy burdens, drew the line at its present $1.6 billions a year—and the price of Canadian Grade A eggs to the British consumer jumped from 38c a dozen to 60c—at least 3c above current Canadian prices.

What was the picture in other fields?

Hardware: Gradual increases were being reported in a variety of lines by Hardware and Metal (Maclean-Hunter) which also found a disturbing trend to retailers in a diminishing spread between cost and selling price on many lines.

"Costs of merchandising have increased steadily, wages, overhead, business rents, maintenance and all similar items are markedly higher than a few years back" the journal reported. "And this is all putting a squeeze on the store owner who sees his customary 50% markup on the majority of lines dropping to about 30% on some items. A new markup policy will have to be determined, many dealers believe."

Among the items found by Hardware and Metal likely to go higher are: abrasives, small appliances, ladders, roofing, paints, saws, linseed oil, tools, asbestos products and cordage.

Plastic materials are also almost certain to go higher as a result of raw material increases and an anticipated third round of a wage boost in U. S. factories.

Platinum, of which Canada is a major producer, may be adjusted upward on the New York market. Despite an official price of $66 an ounce none has been available in the last week at less than $69.

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'Are Canada's Defenses Adequate?' Construction Industry Calls Alert

The construction industry, which estimates its 1947 volume of business at close to a billion dollars including repairs, looks forward to a slowing of the cost spiral and a continued high level of building across Canada. Here's the trend of thinking, as reflected in deliberations at Canadian Construction Association's 30th annual convention at Quebec City and reported on the spot by The Financial Post's construction industries editor.

By CLIVE CHATTOE

Businessmen who look for continued cuts in public spending and a clear field for civilian enterprise may have been given a new thought by the Canadian Construction Association last week.

Will authority now be sought by Ottawa for a sizeable boost in the military budget?

That it might was the inference being drawn by many observers this week from the CCA's apparently sharp warning at its Quebec City convention that:

"Defense is of the utmost importance";

"The Association, and its members individually offer unrestricted co-operation with defense authorities and committees in planning adequate defenses."

The warning and undertaking weren't official as far as Government goes. But chances are they will be widely recognized. The CCA is the voice of a nation-wide industry hailed by officialdom in the early 1940's as a major tool of war, and perhaps more significant, of an industry which consistently since then and even now is advocating a secondary place for public works so that business may expand, consumer needs be met and public works be found available afterward. And it is an industry which many will consider too busy at the moment with a billion dollar a year volume on civilian account to be thought soliciting extra government business.

• • •

Housing

But that wasn't the only construction surprise for Canadians from last week's national conference of the building industry.

Widely expected had been an unqualified demand on Ottawa for bold expansion of the subsidized rental housebuilding program previously known as "Wartime Housing."

Instead the CCA trod warily.

While it asserted: "The nation cannot afford further postponement of co-ordinated measures to provide low-rental housing for low-income families without seriously endangering our Canadian way of life"; and while it called for "full consideration for rent reduction funds, local and metropolitan public housing authorities, multiple-type dwelling units, slum clearance and rural housing," the main emphasis was on a new basis of financing involving provincial governments. Said the CCA:

"This Association urges on the federal, provincial and municipal governments the immediate necessity of a clear definition of their respective responsibilities, and their immediate co-operation in providing housing for low-income families through the establishment of a national long-term low-rental housing program in keeping with the financial needs and abilities of the Canadian people, and with the availability of labor and materials."

And, to curb growth of any such long-term subsidy program, the Association asked Ottawa and the big lending companies to get together in further amendment of the National Housing Act so as to offer yet lower interest rates, higher lending values (i.e., lower down payments) and longer periods to pay off the mortgage, especially for low-cost homes. This, it was said, should (a) encourage credit-worthy families of modest means of their own homes (b) place maximum reliance on individual initiative in housebuilding; and (c) enable private housebuilders to serve a larger portion of the housing market in the face of cost rises beyond their control.

• • •

Dom.-Prov. Accord

But the industry pictures one problem it calls more pressing than the rest and basic to their solution. Describing lack of Dominion-provincial accord on fiscal policy and taxation, low-rent housing, public works and resources development as "Canada's most urgent domestic public problem," the presidential address of Albert Deschamps, of Montreal, offered this new approach to agreement:

"It is not so much a question of division of responsibility between governments along hard and fast constitutional lines. It is a question of consultation and co-operation on the contribution to be made by each level of government to fulfil the needs and aspirations of the Canadian people."

That was the kind of talk the whole forum of 700 construction contractors, manufacturers and suppliers wanted to hear. With hardly a dissenting voice it duplicated the sentiment in a resolution:

"Without expressing opinion on appropriate disposition of responsibilities . . . convey emphatically to Dominion and provincial prime ministers the industry's conviction that the most urgent necessity facing the Canadian people is Dominion-provincial accord in the fields of fiscal policy, taxation, low-rent housing, labor, health and social welfare." The resolution suggested "grave danger to the economic position so hard won by Canada during the war through the inability of business to plan for the future without knowledge of government intentions in these fields."

• • •

Public Works

Public projects—timing and financing—were dealt with in four resolutions addressed in the main to all three levels of government. Said the CCA:

1. Postpone all works except those urgently needed to provide essential utilities or develop natural resources. Create under Dominion-provincial auspices a $500 million shelf of deferrable works to help forestall any threat of serious unemployment. Agree now on cost sharing, including plans, so that the plans can be prepared in advance. Establish an independent Public Projects Planning Board representing Dominion and Provincial Governments, industry, labor, the engineering and architectural professions to administer financial grants and timing. Encourage advance planning through (a) more adequate salaries for professional and technical personnel, and (b) assurance of an adequate flow of such personnel through the universities and technical schools.

2. Recognize Dominion Government responsibility in connection with building trans-Canada and tourist traffic roads; Ottawa should grant funds to the provinces to assist such work.

3. Create road facilities which will encourage development of natural resources and the tourist trade, particularly completion of a national transcontinental highway. Establish certain minimum standards for such construction in keeping with classes of traffic they will carry. ("This class of construction need not interfere with housing and industrial construction; it requires the maximum of equipment and unskilled labor and minimum of now critical material; this industry has available suitable equipment.")

4. Eliminate level railroad crossings as rapidly as the availability of critical materials and labor permits.

• • •

Costs, Efficiency

The construction industry at Quebec last week also subjected itself to rigid self-scrutiny; came up with findings on individual productivity which for frankness—and perhaps also for promise—may be found uncommon.

Retiring President Deschamps: "All engaged in construction and allied industries, employers and employees alike must exert every effort to reduce construction costs through increased individual productivity, both in the plants making materials and on the job-site, by stabilizing wages in long-term agreements, by returning to firm-price quotations as quickly as possible, by improved management efficiency, research and the development of new methods and techniques.

"Unless management and labor co-operate in every way to increase productivity and restrain further cost rises, the continuance of a high level of employment and income in construction will be jeopardized.

"There must now be two main principles in wage negotiations in this industry.

"First, a closer relationship between wages and individual productivity. Where profits are held at reasonable levels, increased wages without commensurate increase in productivity can only mean further increased costs and hence no genuine increase in purchasing power.

"Second, long-term agreements. The unpredictability of labor costs, both in the plants and on the job-sites, has been a serious deterrent to a return to firm prices, which are so necessary to reduced construction costs."

Productivity Said Down 30%

This theme was taken up even more boldly in one of the most important resolutions ever to come from a national construction gathering:

"Reduced productivity of skilled labor both in plants and on the project site is a major factor in present construction costs. In on-site construction it is at least 30% below prewar levels. Also contributing to the low average level of efficiency in construction labor is continuing shortage of properly trained craftsmen in most trades.

"Management, labor and government have joint responsibility to (a) boost the flow of materials, and thus cut unit costs and waiting delays, (b) speed the pace of skilled field operations, (c) increase apprentice training by utilizing agencies made possible by government, labor and employer organizations, (d) establish an orderly program of immigration from Europe, and (e) develop vocational guidance to assure that beginners in trade apprenticeship are apt and qualified to make good builders."

And an extensively documented postconvention statement — putting the construction cost rise in 8 years at from 110 to 125%, depending on type of project—said overhead and profits constitute only 7.3% of cost; called this a decline from prewar figures. The rise, this statement said, was due in part to building material price increases of 110% — of which a large element is wages, in part to on-site wage-rate increases of 60%, and a further 30 to 40% rise due to (a) reduced individual productivity, (b) delays caused by material shortages, and (c) greater insistence on items formerly considered luxuries.

• • •

Austerity

In the nation's U. S. dollar saving program, the industry offers service of its "Committee on Materials," an advisory group headed by Robert Drummond of A. W. Robertson Ltd., Toronto, and already credited at Ottawa with important accomplishment in boosting postwar building supply production.

Mr. Drummond, who is the CCA's new national vice-president, outlined for fellow delegates a few of the points in Ottawa's new and presumably temporary import control policy which may have been puzzling many a construction man and his customer:

"I think we can properly urge on the Government that policy be clarified quickly. It would be helpful if the Government could indicate the types or classes of project which will qualify for American materials — what kind of industrial expansion, schools, hospitals, other institutions.

"In addition to some classification of this kind, it is essential that the 'processing' of projects by departmental officers be carried out with the utmost dispatch."

The convention backed him up with a resolution (a) offering all facilities of the association in aid of the new conservation program, and (b) urging the Government and building material manufacturers to accelerate output of materials which may be used in substitution for American materials.

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Research

Robert F. Legget, director of National Research Council's new building research division at Ottawa, got something of an ovation from the progress-minded convention. He gave mere hints of what his division hoped to do for outmoded local building ordinances through the medium of an ever-evolving National Building Code, and of what avenues it might eventually follow toward better materials, erection and fabrication techniques and lower building costs.

But he called on the industry for close co-operation—at the moment by way of assistance in finding elusive technical staff, and later with the advice of field experience. And the industry responded with one resolution pledging fullest possible CCA co-operation; another urging provinces and municipalities to speed their effort toward standardization and modernization of local building bylaws, using the National Building Code as a guide.

Other resolutions of the national construction body:

1. Reaffirmed "belief in the ability and desire of free enterprise, founded in liberty of the individual, to operate to Canada's greatest advantage."

2. Asked Ottawa to (a) end the 8% sales tax on certain building materials by extending "the List of Nontaxable Commodities to include all items of material legitimately used in building and engineering construction and maintenance; and (b) repeal Tariff Item 180e—budget resolutions, customs and excise, June 27, 1946 —under which certain types of engineers' plans are admitted into Canada duty-free.

3. Urged provincial governments to appropriate bigger forest funds to provide better protection, people and publicity — all-out war against fire and insect, more general adoption of reforestation and conservation measures, more trained foresters and publicity of the kind likely to gain general recognition that forests are a capital value needful of, and capable of maintenance.

4. Asked all levels of government to call for competitive tenders from contractors on all construction work involving public spending.

5. Decided in favor of "strong representations to government departments concerned whenever it is felt particular government forms impose unnecessary burden."

LUCIEN MASSE

of Hull, has been elected to the board of commissioner censors of the Provincial Bank of Canada.

It's Your Money

BY BRUCE MACKINNON
Maclean-Hunter Editorial Research

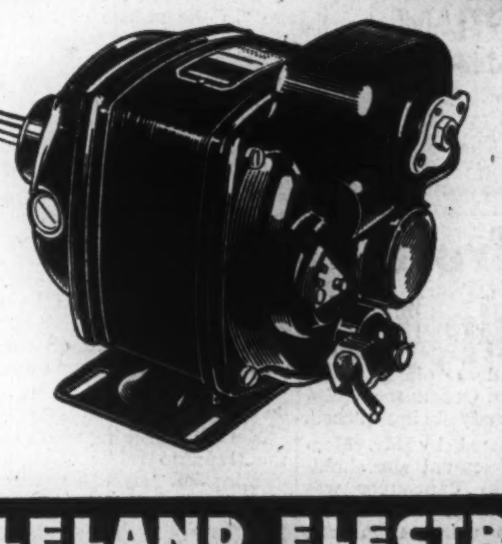
Looking back through old issues of Maclean's Magazine, we came across this passage in an article written by Mackenzie King early in 1921 when he was trying (successfully) to unseat Mr. Meighen's postwar government:

"The Liberal Party also believes that there is the greatest need for an end to extravagance, and for the exercise of the strictest economy in the administration of public affairs. And this is something that is not to be expected from members of a ministry who, during the long period of the war, acquired habits of lavish expenditure and great indifference to the control of Parliament."

Mr. King won the 1921 election, and held office almost without interruption until Aug. 1930. When he took over, ordinary expenditures were running $347 millions a year. When he surrendered power, they were $389.6 millions a year.

Mr. King again took power in Oct., 1935. When he took office, ordinary expenditures were running $372.5 millions a year. They have never been that low since. For fiscal 1947 they were $1,236.2 millions. These are ordinary expenditures, not war or demobilization costs.

Incidentally, the growth of population is one reason for increased governmental expenditure. But if Canada's population had grown as rapidly as ordinary government spending since Mr. King first gained power, there would now be some 31.4 million people in Canada.



OPERATING UNDER the most arduous conditions . . . constantly on-and-off . . . in all kinds of weather from Arctic cold to blistering heat . . . gas pumps serve thousands of car owners daily. It is significant that more than 99% of all gas pumps installed in Canada, are powered by *Leland* explosion-proof motors. Even more significant, only 4/10ths of 1% have ever been returned for factory service.

The same operating characteristics that have led to the wide-spread adoption of *Leland* motors for gas pump operation are common to all *Leland* products. Out of the complete *Leland* line you are certain to find a motor, generator, alternator or converter that will more than meet your severest requirements.

10C

LELAND ELECTRIC CANADA LIMITED GUELPH

JACK: Heard quite a good speech this afternoon on the many services offered to business by an International Freight Forwarder.

BILL: Wish I'd heard it! But I'll make you a little bet that there isn't a firm offering more than Canadian-European Forwarders.

JACK: I believe you're right. And I'll bet you, in turn, that not everybody knows how wide a range of service they CAN give you.

BILL: I heard of an instance the other day. Each year one firm in town sends a parcel of samples to each of its agents, all over the world. Packing, shipping, correct documentation to seventy different points put a heavy load on an office staff unaccustomed to that sort of work. It was an annual and expensive headache.

JACK: Mean to say that Canadian-European Forwarders took that off their hands?

BILL: They certainly did! They showed them that most of the smaller parcels could go economically by Air, at a great saving of time; and they now do the entire job quickly, efficiently, and at much less expense than the old way. I think that if more firms would telephone or visit Canadian-European Forwarders' office, they'd be surprised to find how their services would be of help.

CANADIAN-EUROPEAN FORWARDERS LTD.

Canada's Leading International Freight Forwarders

Empire Building EL. 5491*
TORONTO 1 (4 lines to Central)

Here are the Radios of TOMORROW...

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- FM (frequency modulation) reception
- Regular and Short Wave reception
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- New QTM pickup — replaceable stylus
- Illuminated Changer Compartment
- Gracious Period Cabinet

The "Carnegie Hall" Model 11548 FMAC $525.00 (Illustrated at left)

The "Conservatoire" Model 11548 FMAB $475.00 (Illustrated at right)

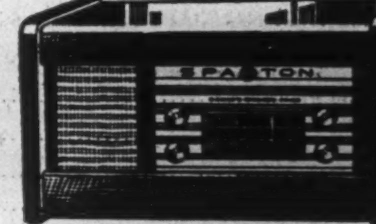
SPARTON SKILL, engineering and imagination have combined to create radio's greatest achievements—the "Carnegie Hall" and the "Conservatoire"—the radios of tomorrow—bringing to you today the new world of F M (frequency modulation), glorious full-throated sound against a velvet background of silence.

See and hear these superb radio-phonographs at your Sparton dealer's. Their matchless realism, the magnificent shading of sound, and distinguished appearance will be a revelation to you. Here are the radios of tomorrow—the "Carnegie Hall" and the "Conservatoire"—which you can own today.

Sparton
RADIO'S RICHEST VOICE SINCE 1926

ANOTHER IN SPARTON'S WIDE RANGE OF RADIOS

MODEL 6149K—A quality AC mantel model—ideal for use with phono. attachment. Long and short wave. Tuning eye. Attractive plastic dial and knobs in well-proportioned mahogany cabinet (10" x 17⅜" x 7½"). $96.95



YOU'LL BE PROUD TO OWN A NAME THAT'S KNOWN

S4C

Multum in parvo

"A large concentration of selling-power in the most concentrated consumer-buying-power area in Canada", describes The Evening Telegram as an advertising medium. Known as Toronto's "Home Town Paper", it leads all evening newspapers in America in its volume of classified advertising—people's advertising — and during 1947 carried the third largest volume of total advertising in Canada.

Toronto's "HOME TOWN" Newspaper
The EVENING TELEGRAM
TORONTO CANADA

Montreal: E. R. CHOWN
Dominion Square Bldg.

MacMillan 1947 Profits To Finance New Pulp Mill

From Our Own Correspondent

VICTORIA—Construction of a $12 million bleached sulphate pulp mill will be started on the east coast of Vancouver Island this year by H. R. MacMillan Export Co. It is scheduled for completion by 1950.

The mill will be financed from last year's record earnings of $7,128,000, President H. R. MacMillan stated at the company's annual meeting last week. There will be no public financing, but "the company's working capital position will remain adequate," Mr. MacMillan said.

Giving employment to at least 200, the mill will have a daily capacity of 200 tons of bleached sulphate or 220 tons of unbleached sulphate pulp. It will utilize Douglas fir, hemlock and cedar waste material from company operations at Chemainus, Fraser River, etc.

May Be at Chemainus

Although exact location for the plant was not given, it is believed scheduled for Chemainus, where the company already has large holdings.

This project supplants earlier plans for a pulpwood mill announced for "somewhere near Vancouver." E. Blake Ballentine, vice-president in charge of operations, will probably head the pulp mill division.

Plans for the mill are now on drafting boards, according to Mr. MacMillan. Power will be supplied by the B. C. Power Commission from its new Hart Development at Campbell River on Vancouver Island.

The greater part of the $12,000,000 will be spent in British Columbia for building products and labor, with 95% of the total cost represented by contracts and equipment orders placed with Canadian firms. Orders for equipment are already being placed.

Also announced by Mr. MacMillan at the annual shareholders' meeting in Vancouver was the cash bonus plan developed for MacMillan workers. Persons employed prior to Aug. 1, 1947, and still on the payroll at the first of the year will receive $125. Those employed during the last six months of 1947 will receive $25.

Explains Program

Mr. MacMillan told shareholders:

"Your company has a social obligation to maintain a high rate of output, operate efficiently, extract the highest possible percentage of commercially valuable product from an acre of forest land harvested, recognize with more than words valuable contributions made by its employees, and generally discharge its duty under what might be described as 'good industrial citizenship.'

"Considerable publicity naturally has been given to the profit earned by your company in 1947. It should be remembered that this profit was earned by the company not only through manufacturing and selling but by trading and transport functions.

"The 1947 profit results from business transacted in open world markets, except as to goods sold in Canada, which were marketed at Canadian Government-controlled prices for 50 out of 52 weeks of our past fiscal year.

"Our profit is an asset to this whole community. It leads directly to the creation of an important new source of income for B. C. through our proposed new pulp mill."

ASSISTANT MANAGER

EXCELLENT RECORD in management, Supervision and Training. Experienced and ability to develop co-operation and good employer-employee relations, to interpret bargaining agreements, Quebec and Federal legislation and to maintain public contacts. Several years in Wood and Paper industry. Would be interested to act as assistant to the Manager or Director of personnel in a pulp and paper mill in the Province of Quebec. Bilingual, express easily in public, good connections.

Box 118, THE FINANCIAL POST, TORONTO 2.

For
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★ To men with vision; with ability to plan for the future; who build up business and create wealth for Canada, The Financial Post provides an unsurpassed news service.

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A-19

INVESTMENTS THIS WEEK

See All Reorganizations Affected By New Decision

Investors generally, as well as the holders of securities of the St. Lawrence group of companies, will be vitally interested in the implications of last week's judgment of Mr. Justice Boyer of the Quebec Superior Court refusing to approve the proposed arrangement of St. Lawrence Corp.

It seems likely that other reorganizations may be slowed up as a result of this decision. Interested parties will be more careful in working out proposals, may go into their effects more carefully. Unorganized and minority groups may expect close attention to be given to their positions.

But company directors may be in the position of never knowing exactly where they stand until a reorganization is approved by the courts. Previously, court approval has been more or less taken for granted following shareholders' acceptance.

Mr. Justice Boyer stresses the important principle that capital reorganizations under Section 122 of the Dominion Companies Act are "in the nature of a compromise where each class makes some sacrifice of its rights and privilege and must be substantially fair." In other words all the sacrifice should not be made by one class of security holders, particularly if they have a preferred position.

In some reorganizations of the past few years, holders of preferred stocks have been persuaded to give up part of their claim for dividend arrears on the grounds that it would be taken away from them through taxation anyway. As a result of this decision there may be some doubt as to whether such a scheme would be approved in the future.

Most far-reaching result may be the trend to fuller disclosure of information such as directors' shareholdings, up-to-date information on profits and profit possibilities. The difficulty, however, may be in letting directors know exactly what information will be required. This point may have to be clarified.

Another important point was that shareholders should be given information in sufficient time to fully appraise it. Mr. Justice Boyer stated: "The interested parties must be given fair information before the meeting, for at the meeting the directors have already the favorable proxies in their possession . . ." This would also seem a good policy for directors to follow when presenting material for approval at company annual meetings. In this way shareholders would have ample time to fully weigh any policy and decide on their position.

Close attention also may be paid to setting up shareholders' committees as a result of Mr. Justice Boyer's comments on the St. Lawrence Corp. committee. Members of these committees may be required to disclose their specific interest in any reorganization and also to quote "facts and reasons in support" of their opinions.

Less certain are the implications of how a holder of more than one class of security can vote his securities "in the interests of the class to which the voter belongs and must not be influenced by other interests." Mr. Boyer based one of his points on the fact that some of the preferred holders were "necessarily influenced by their holdings of common shares." Will this mean that a person holding more than one class of security will be unable to vote in corporate reorganizations?

One thing certain out of this decision is that it will be a subject of considerable discussion among legal experts. Until its implications are further clarified other reorganizations now pending may be held back.

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No Decision on Next Step For St. Lawrence Corp., Yet

Directors of St. Lawrence Corp. have not come to any decision regarding their next step as a result of the court's refusal to approve their reorganization plans. At their meeting last week the matter was referred back to their executive committee for further consideration, The Financial Post understands.

The decision on whether to proceed with the reorganization of the St. Lawrence Paper Mills is also left for further study. While there was no provision in the Paper Mills plan for it to be contingent on the Corporation plan there might be some question as to whether directors of the Corporation now have the authority to go through with the Paper Mills plan. They voted the Corporation's holdings of Paper Mills stock in favor of the plan. What their position is now that the judge has thrown out their own plan is another matter for legal advice.

Holders of the securities of St. Lawrence Corp. and St. Lawrence Paper Mills as a result will have to wait to find out what their position may be.

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Annual Reports

In stressing the urgency of business telling its story, R. M. Fowler, president of Canadian Pulp and Paper Association, stated at the association's annual luncheon last week that:

"This is the time when many accepted faiths are being called in question. Our institutions are being subjected to intense scrutiny in the upheaval through which the world is passing. If you believe in the system which has made the growth of this industry possible you must be prepared to stand up and defend it—not in vague generalities, but giving chapter and verse to show that you recognize and will correct its defects and that it is better than any alternative system that is offered. It is not enough for someone in a more remote position such as mine to give some overall figures and arguments. Each company must be prepared to state its own position—supported by concrete facts and figures—in language that will be understood and accepted by employees, by governments, and by the public of Canada."

Executives of all companies should consider this advice when preparing their annual reports and statements for annual meetings.

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Beatty Bros. Ltd. recognizes the sales value of its annual report by listing the products manufactured. The dollar value of its inventories is up nearly 50% in the fiscal year ending Aug. 31, 1947, and while the report shows inventories valued at cost, some special comment as to the composition of the inventories and its relation to sales might be helpful to shareholders.

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Expect Orange Crush Report Show Sales Up, Profits Down

The annual report of Orange Crush Ltd. for the fiscal year ending Oct. 31, 1947, will be sent shareholders shortly, The Financial Post is told. It will be on a consolidated basis this year. The net profit will be down from that shown by the Canadian company last year, The Post understands.

Considerable interest has been aroused in this report as a result of the statement that the consolidated operations of Orange Crush for the last fiscal year "were profitable but did not realize your directors' expectations," contained in the annual report of Argus Corp. Although profits were not up to expectations, sales were slightly ahead of those for the previous fiscal year, but also not up to expectations, The Financial Post is told. One reason for the reduction in net profit was the rising costs.

Recent changes in personnel and the retirement of the former management indicate the action taken to "strengthen the management" as a result of the condition which has been under constant review since last summer.

Orange Crush common is currently selling around $9 a share as against a 1947-48 high of $23 a share made in February, 1947, and a low of $8 this January. The dividend was deferred in January.

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E. P. Taylor Sells in November 11,263 Shares Can. Breweries

E. P. Taylor, chairman of the Board of Canadian Breweries Ltd., sold 11,263 of its common shares in November 1947, reducing his personal holdings to 12,500 shares or nearly half the former total at the end of the month, according to the November, 1947, report of the U. S. Securities & Exchange Commission covering security holdings of officers and directors of companies. This report also shows:

H. A. Cornwall, treasurer, sold 86 shares reducing his holdings to 201 shares.

W. Fraser Hadley, Hull, Que., a director, sold 56 shares for his personal account, reducing it to 1,000 shares, but purchased 60 shares for a trust account to bring it up to 500 shares at the end of the month.

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Security Transactions Reported to S.E.C.

Among changes in the security holdings of officers and directors of companies reported in the U. S. Securities & Exchange Commission for November, 1947, were

James E. Friel, New York City, vice-president, purchased 1,800 common shares of Distillers Corp.-Seagrams Ltd. bringing his holdings to 11,505 shares.

C. C. Calvin, Toronto, secretary and director, purchased 100 shares of Dome Mines Ltd. common, to bring his personal holdings to 200 shares. An estate in which he is interested owns 3,000 shares.

F. K. Morrow, Toronto, a director, through Essa Securities Co., purchased 1,800 shares of International Paper common, to bring its holdings to 13,159 shares.

Paul H. Todd, Kalamazoo, Mich., a director, sold 500 class "A" shares International Hydro Electric System in October to reduce his holdings to 43,600 "A" shares.

Virginia Dare's Sales At Record High in '47

Sales of Virginia Dare Ltd. for the year ended Dec. 31, 1947, were at the highest level in the history of the company, it is stated.

The company recently opened an additional unit in Hamilton. New stores will be opened shortly in the Kingsway district on the outskirts of Toronto and in Orillia. The company's new modern store on Yonge St., Toronto, is also expected to be opened within a few weeks.

Earnings for the 1946 fiscal year were equivalent to $4.68 a preferred share and $1.01 a common share.

J. K. MacDONALD

president of Confederation Life Association, has been elected a director of the Toronto General Trusts Corp.

CPR Orders $31 Millions Rolling Stock

MONTREAL (Staff) Still short of rolling stock, Canadian Pacific Railway has placed orders for $31 millions of additional equipment, including practically every type of rolling stock from locomotive to cabooses. Hamilton's National Steel Car Corp. gets $11.9 millions; Canadian Car & Foundry Co., Montreal Locomotive Works and the CPR Angus shops, all in Montreal, split $10.1 millions; Eastern Car & Foundry at Trenton, N.S., gets $4.7 millions; and Canadian Locomotive Co. Kingston, $2.9 millions.

CPR Chairman and President W. M. Neal points out that there is still a $32 million backlog of undelivered orders, placed in previous years; but delivery of these orders is expected made by October of this year.

Included in the new orders are 44 Diesel locomotives, 2,100 freight and work cars and 115 passenger cars. Thirteen of the Diesels will go to the Esquimalt and Nanaimo Railway on Vancouver Island; five to be equipped with oil-fired boilers for heating passenger cars and eight to be used in freight and switching operations. The balance of 31 Diesels are 1,000 hp. switching units.

Important features of the new passenger equipment are mechanical air-conditioning units in place of ice; improved coilsprings and shock absorbers; larger steam pipes to facilitate heating. All of the 75 passenger coaches ordered will have picture windows, sleepy-hollow chairs and the five sleepers will be of the roomette type, providing all-enclosed space.

Something new is being added to freight equipment as well. The 100 cabooses ordered will be the first steel cars of this type in Canada and three will be fitted with experimental "Bay Windows" (to test whether trains can be handled more efficiently from side positions rather than on top).

Following is the equipment picture as outlined by Mr. Neal:

	New orders $31 mil.	Backlog $32 mil.	Total $63 mil.
Steam Locomotives	nil	58 units	58 units
Diesel locomotives	44	nil	44 units
Box cars	1,000	980	1,980
Other freight cars	1,100	1,500	2,600
Sleepers	5	5	10
Coaches	75	35	110
Baggage, mail, etc.	25	20	45

New orders for freight work cars include 100 covered hoppers, 350 triple hoppers, 350 gondola cars, 200 ballast cars and 100 steel cabooses. Still to be delivered from 1947 orders are 250 triple hopper cars, 100 covered hoppers, 30 cabooses, 500 refrigerator cars, 120 automobile cars and 500 Gondolas. Mr. Neal stated that the box cars ordered last year will be in service in May, while deliveries of other equipment are expected in April and on through to October.

Deliveries of passenger equipment ordered last year are expected in April, June, July and August. The 58 steam locomotives are expected between April and August.

Donnacona Profit Reported at Peak

MONTREAL (Staff) — Current earnings of Donnacona Paper Co. are running well ahead of last year, President R. P. Kernan states.

Net 1947 profit is reported at a record $3.1 millions, representing earnings per share on the common stock of $3 ($1.87 in 1946).

Directors have decided to defer consideration of an extra dividend until later this year, since a large sum of money is tied up in inventories. President Kernan states that there is a $1.5 million increase in wood inventories alone over 1946 due to increased wood supplies and higher costs. Last year the company paid an extra 25c a share on April 1 along with the regular half-yearly payment of 50c. Observers believe an extra may be again considered, after a greater percentage of the wood inventories has been transferred into paper inventories or receivables.

CUB AIRCRAFT CORP. has received payment for balance of Nov. 15 installment on 13,000 shares at 60 cents, Dec. 15 installment on 5,000 shares at 60 cents and Jan. 15 installment on 10,000 shares at 65 cents. Issued capital is 253,511 shares.

Can. Car Co. Orders on Hand $80 Millions

MONTREAL (Staff) — Canadian Car & Foundry Co. has orders on its books in excess of $80 millions, sufficient to ensure capacity operation of plants well into 1949, President V. M. Drury told shareholders at the annual meeting last week. Since the start of the new year, production and deliveries have reached an encouraging level, Mr. Drury stated, with every indication of a still greater move toward normalcy. He added that if no further interruptions occur, deliveries of rolling stock within the next nine months should place the company in "an enviable financial position" for the year ending Sept. 30.

The President stated that while orders placed by Canadian railways, and export business offered were impressive in dollar volume, the material situation was the controlling factor in the year ended Sept. 30, 1947. Production was slowed to a standstill, he said, due to shortages of essential materials. This situation applied to the car plants and the bus division.

Commenting on the company's financial situation, Mr. Drury pointed out that inventories had increased by $4.9 millions. He noted, however, that inventories are protected by the firm orders placed for rolling stock and that the purchase price of materials is the figure used in preparing estimates on which the subsequent order contracts are predicated. Mr. Drury observed that in the car manufacturing industry big inventories are indicative of corresponding business activity and diminish in ratio to deliveries of completed cars which in effect liquidate inventories into accounts receivable.

Capital Assets Higher

Capital assets of the company had increased during the year by $1,454,074 millions after deducting depreciation. The machinery, equipment and buildings acquired from War Assets Corp. had been part of the company's properties during and since war operations, the president stated. A satisfactory adjustment of excess profits tax was reflected in the company's surplus account, he said, which has been increased by $1,350,000. An increase in current liabilities of $3.9 millions reflects heavier bank loans and accounts payable, occasioned by greater inventories.

Mr. Drury told shareholders that the combined total of Class A and common shareholders now numbered 8,453, an increase of 143 over the previous year. He stated that in percentages this was equivalent to 95.78% of all shareholders of Canadian register, who represent 96.2% of all outstanding shares. The balance of about 4% is distributed among 14 other countries including United States and United Kingdom. The company's 10 plants employ approximately 8,150 persons, compared to prewar employment of 3,900.

Speaking of the over-all outlook for rolling stock equipment, Mr. Drury said: "Throughout the world systems of railway transportation today, the urgent need for renewal and replacement of rolling stock is a requisite of an integrated program of world recovery. . . Europe's manufacturing facilities for the supply of rolling stock are still in the throes of dislocation wrought by the havoc of war, and replenishment of such rolling stock must therefore come from this continent, which can resolve itself into a broadened and sustained export market for Canadian-built equipment, provided the manufacturers' allocation of essential materials is determined accordingly."

Dryden Co. Sells 20,000 Common

MONTREAL (Staff) — Dryden Paper Co. has sold 20,000 common shares to a corporation (identity undisclosed as yet) at $25 a share, it has notified Montreal Stock Exchange. It states that company in question has not previously been a shareholder, and that none of Dryden's directors is interested in it. Proceeds will be used to pay off the company's bank loan (the company showed a special loan of $600,000 as of Sept. 30, 1947, and a secured loan of $157,000), in whole or in part, and for other corporate purposes.

Dryden also stated that under a contract dated May 10, 1947, an option was given to the managing director, E. L. Goodall, to purchase 10,000 shares of unissued common stock at $19 a share. It is stated that this was the approximate market price at the time the option was granted. Early this week the market on Dryden common was approximately $27.

Under the option contract, 2,000 shares were to be purchased on or before Aug. 1, 1950; 3,000 shares by Aug. 1, 1952; 2,000 shares by Aug. 1, 1954 and 3,000 shares by Aug. 1, 1957. The optionee is free to exercise his option on the entire quantity at any time during the period. Failure to take any particular lot, however, within the dates mentioned, would nullify that particular part of the option. As of Dec. 1, 1947, a total of 2,000 shares had been taken up, it was stated.

MASSEY-HARRIS Co. reports that an additional 3,548 preferred shares have been converted into common under second conversion privilege, bringing number of converted to 67,616 shares. Issued capital is 254,782 preferred and 1,178,047 common shares.

Canadian Car
Class "A" Shares to Yield 6.15%

Canadian Car & Foundry Company, Limited is the largest manufacturer in Canada of railway rolling stock, motor buses and trackless trolley coaches. Production also includes street cars, aircraft, castings of all types and precision machinery.

Net profits for the first quarter of the current fiscal year ending September 30, 1948 are understood to be in excess of annual dividend requirements for the Company's Class "A" Shares.

Our new pamphlet concerning Canadian Car & Foundry Company, Limited covers its financial improvement during the past ten years and its present business outlook.

Copy of the new pamphlet will be furnished gladly upon request.

Wood, Gundy & Company
Limited
Winnipeg TORONTO Vancouver
Kitchener Montreal New York Hamilton
Ottawa Regina Edmonton Halifax Victoria
London, Eng. New Westminster London, Ont.

Pipe Gas From Alberta To Pacific, Is U. S. Plan

From Our Own Correspondent

VANCOUVER — Richard B. Hand, vice-president of the Northwest Natural Gas Co., New York, wired Vancouver this week that his company had filed an application with the U. S. Federal Power Commission for permission to construct a natural gas pipe line from Alberta's borders to the Pacific Coast.

The firm, which has constructed other large natural gas lines in the United States, is seeking a certificate of public convenience and necessity; in effect, a permit to operate a utility.

Neither the Alberta Government nor the Dominion Government has yet given word whether it will permit natural gas to be exported. The Northwest firm, in its application, however, reports that it has studied prairie gas reserves and is "now negotiating with major producing companies, who have vast gas reserves in Alberta, for the sale to the applicant, or a subsidiary or affiliate of the applicant, of the natural gas proposed to be imported and transported by the applicant."

If the company receives permission from both U. S. and Canadian authorities, it plans to bring natural gas to Vancouver, Trail, Seattle, Spokane, Tacoma, Walla Walla and Portland. It plans to construct a pipe line nearly 1,000 miles long, which would cost between $77 millions and $85 millions, depending on the price of steel pipe.

The application says that more than $36 millions of this sum would be spent in Canada for gathering the gas in Alberta and routing it to a border point near Kingsgate. Thence a 24-inch pipe would go to Seattle. From there an 18-inch line would lead to Vancouver, and other points. A lateral line would also be built to Trail, the application says, "in order to serve the Consolidated Mining and Smelting Co. and the community in and about Trail."

Although it is understood here that two other large U. S. companies are seeking to construct a similar line from Alberta to the coast the National Gas Co. is the first to file application. It proposes to finance the construction of line, compressors and facilities by issuance and sale of bonds, common stock and possibly a bank loan.

The pipe line would have a maximum daily delivery of 209,000 mcf and would be expected to operate at 75% of capacity.

In its application the firm says that there is a large shortage of fuel in the area the line would serve. "In this area there are many industrial plants which aided greatly in the recent war effort," it states. "To introduce natural gas into the area will aid greatly in any future war or other emergency.'

President of the Northwest Co. is A. Faison Dixon. A branch office was opened in Seattle recently.

To the holders of

MONTREAL ISLAND POWER COMPANY

5½% First Mortgage Thirty-Year Sinking Fund Series 'A' Gold Bonds due May 1, 1957

OFFER TO PURCHASE

Whereas application has been made to the Foreign Exchange Control Board for permission to call the above issue in whole for redemption on May 1, 1948, at the call price of 101% payable in U.S. dollars, Canadian dollars or Sterling, at the option of the holder; and whereas unqualified approval of the Board to effect such call has not been obtained:

Notice is hereby given that Quebec Hydro-Electric Commission offers to purchase all or any of the bonds of the above issue that may be submitted in accordance with the terms hereof on or before April 1, 1948, in lawful money of Canada at the price of 101% of the principal amount with accrued interest to May 1, 1948.

Holders desiring to take advantage of this offer may present their bonds in good delivery form with May 1, 1948, and subsequent coupons attached to the Bank of Montreal, Montreal, at any time, on or before April 1, 1948, and obtain immediate payment with accrued interest to May 1, 1948.

QUEBEC HYDRO-ELECTRIC COMMISSION

MANAGED INVESTMENT

Nat. Steel Car, Hudson Bay Bought For Compton Fund

Compton switches from Consumers' Gas to Hudson Bay Mining, National Steel Car and increased investment in Canadian Canners and Dominion of Canada bonds. As a result, his expected annual income has been increased by $16.75 to a new high of $665.75 per annum.

The Compton Fund Transactions

No. of Shares	Security	Cost Price
PURCHASES		
10	Hudson Bay Mining	$45½
5	Candn. Canners (com.)	20
5	National Steel Car	20½
$100	Dom. of Canada 3%, 1957-60	102¼
SALES		Sales Price
5	Consumers' Gas	$151

Compton's Manager Says

On the sales of five shares of Consumers Gas Co. common stock, Mr. Compton realized a net profit in cash of 7.4% on the book cost of the securities sold.

It should be repeated that sale of any given stock now held, or to be held, in Mr. Compton's account must not be construed as a reflection on the part of his advisor, upon the company concerned. Since the stock market is becoming increasingly vulnerable, Mr. Compton's advisor now feels that a substantial proportion of one's "paper profits" might well, from time to time, be converted into cash.

As has previously been pointed out, the present and future purchases, at prices scaled downward, of Canadian Canners and National Steel Car, are part of a new program, aimed at acquiring a number of Canadian stocks over a period of time.

The present purchase of Hudson Bay Mining common shares is prompted by the company's current prospects. The demand for the company's products continues at a high level, and, in the forseeable future, should continue so. Directors have declared a quarterly dividend of $1 a share payable Mar. 8; an increase of 25c a share over the rates paid in the previous four quarters.

As between Dec. 15, 1944, when Mr. Compton's account was taken over and Jan. 31, 1948, the following is the broad change in the position.

	Dec. 15,1944 Principal Sum	Jan. 31, 1948 Principal Sum
Bonds	....	$2,873.17
Preferred stocks	$925.00	4,767.50
Common stocks	6,661.25	3,989.85
Mining stocks	1,750.00	1,413.50
Cash	663.75	37.50
	$10,000.00	$13,081.52

WANTED

Chemical Engineer or Chemist for technical service work.
Age 25-35.
Rubber compounding experience desirable.
Knowledge of French an asset.

APPLY BOX No. 117, THE FINANCIAL POST, TORONTO

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Leduc-Calmar-Woodbend area. In the proven, semiproven and surrounding area, prices reasonable, varying according to location. Write or wire Clark & Spencer, 401A Bank of Commerce Bldg., Edmonton, Alberta.

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To furniture lines such as bed room, dining room suites, finished or unfinished set of drawers, kitchen sets. Al connections throughout the Province of Ontario.

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Capable executive seeks position as Director of Training or responsible position leading to same. Fully experienced in all branches of field and branch office work and in latest educational experience arising out of World War II. Can develop new training courses if desired.

BOX 112, THE FINANCIAL POST, TORONTO.

BRITISH COLUMBIA

Chartered Accountant between 30 and 35 with experience in paper pulp industry required for well established company in British Columbia. Replies which will be treated in strict confidence should state experience and salary required.

BOX 113, THE FINANCIAL POST, TORONTO

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Incorporated 1933

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New York 5, N.Y.

Vachon & Fils Bonds Offered

A new issue of $130,000 first mortgage bonds of J. A. Vachon & Fils Ltée, Ste. Marie de Beauce, Que. is being offered by Clément, Guimont Inc., Quebec City. The issue is dated Jan. 2, 1948, and consists of $32,000 4% bonds due Jan. 2, 1949 to 1953 and 98,000 4½% bonds due Jan. 2, 1954 to 1963. Offering price is $100 and accrued interest.

Incorporated in March, 1947, J. A. Vachon & Fils Ltée is a continuation of the bakery business established at the beginning of the century by J. Arcade Vachon. The firm makes cakes, cookies, tarts, etc.

The company serves, through 60 wholesalers, 26 agents and directly, over 4,000 customers, nearly all of whom are in the province of Quebec. Property is situated at Ste-Marie de Beauce.

Proceeds of the present issue are $30,686 for additional fixed assets, $34,262 for new construction, machinery and trucks with the balance for payment of the bank loan and other purposes.

Earnings amounted to $36,736 for the year ending March 31, 1947, and to $43,524 for the eight months of the current fiscal year. Earnings in prior fiscal years were $26,958 in 1946, $40,414 in 1945, $37,818 in 1944, $29,084 in 1943, $21,247 in 1942.

Capitalization consists of $130,000 first mortgage bonds; 80,000 authorized, 68,400 issued, 5% noncumulative preferred shares, par $100, and 50,000 authorized, 20,000 issued, par $100, common shares.

President and general manager is Joseph Vachon. Vice-president is Amédé Vachon, secretary Benoît Vachon and treasurer Paul Vachon.

CENTREMAQUE GOLD MINES completed over 25,000 ft. of diamond drilling on its property in 1947. While more than 50,000 ft. of drilling has been accomplished to date, the possibilities of locating ore bodies are far from exhausted, company states.

Much drilling is yet required to gain geological information about the intrusive porphyry mass in centre of the property and in the area close to Bourlamaque Central, where gold has been found.

Balance sheet showed cash and accounts receivable of $3,522 and Dominion of Canada bonds $45,000 (market value $47,025) at Nov. 15, 1947. Current liabilities were $1,571.

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Old and Well Established Vancouver Fire, Casualty and Marine Insurance Agency — Premium Income between $400,000 and $500,000 per year. A real opportunity that will stand Full Investigation. Price $50,000.

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The Special Products Division of S. F. Bowser Company, Limited, of Hamilton, Ontario, has available gear cutting capacity. Gleason work, bevels ⅝ to 6 inch o.d. Barber Colman work, spirals and spurs ⅝ to 6 inch o.d. Fellowes work, spurs and change gears ⅝ to 7 inch o.d.

BRITISH MARKET

A unique selling organization is offered by English company to Canadian and U.S. manufacturers wishing to develop trade in the United Kingdom. The company offers a sales staff covering traders, factories, welfare centres, offices, Government departments, etc., and will undertake sole distribution and/or manufacture of suitable products under licence. An executive will be in Canada on a short visit during February to discuss suitable propositions. Please write giving full details in first instance to

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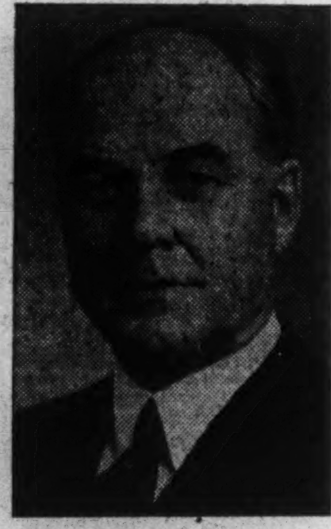


G. C. McEWEN

president and general manager of the Imperial Varnish & Color Co., Toronto, has been elected president of the Canadian Paint, Varnish & Lacquer Association.

Savings Bonds $267.4 Millions At End of Year

OTTAWA (Staff) — Sales of second series Canada Savings Bonds totalled $267.4 millions as at Dec. 31. Purchasers totalled 861,878, indicating an average purchase of $310.

In the first drive, total purchases during the campaign period were about $489 millions from 1,197,500 purchasers. Subsequent cancellations have brought the total of these first series bonds outstanding as at Dec. 31, 1947, to something over the ($400 million mark.

Payroll purchases of the second series bonds show up very strongly as compared with the original offering. The Dec. 31 figures show total payroll sales of $109.1 millions from 555,458 purchasers. $114 millions from 623,840 buyers in the first campaign. The new figures show a 42% participation by employers who offered the plan, (43% in the first campaign). Average payroll purchase in the second series rose to $196 from $182.

In comparing the figures, it should be borne in mind that the limit for individual subscriptions was cut back from $2,000 to $1,000 in the second campaign. Second series bonds are still available for purchase.

See Good Year C. W. Cordage

There is a good outlook for 1948 for Canada Western Cordage Co., Vancouver, B.C., and, depending on certain developments, prospects look reasonably good for a much longer period, Managing Director F. C. Brown told shareholders at the company's annual meeting.

Dollar sales in 1947 were highest on record, while the "very satisfactory" profits were in excess of income taxes paid to the federal treasury for the first time in many years, Mr. Brown stated. This was accounted for through the substantial reduction in the rate of excess profits tax.

Chief markets are in the four western provinces. Sales to foreign markets have been adversely affected due to the exchange situation, Mr. Brown stated. The company enjoyed a "very nice business" in the British and Dutch West Indies over a long period, but, owing to the present dollar position, consumers in the British West Indies must draw their cordage supplies from the United Kingdom, he points out.

The company has on order a number of new and up to date machines to enable them to properly meet the growing demands for its products, he stated. These machines which include gill spinners and special preparation machinery will ensure the continuance of quality as well as quantity production. Delivery of the machines, which have been on order for from one to two years, is expected in May.

The company's inventories show much higher values than in previous years due to the high cost of fibres, especially manila which advanced rapidly in price following release from control a little over a year ago, Mr. Brown states. Prices for better grades of manila are now the highest on record and due to a world shortage of other fibres the company looks for a continuance of high prices for both manila and sisal for some time to come. Java and the Dutch East Indies which in prewar days has been a large producer of high-grade sisal has been unable to make deliveries since Pearl Harbor, following which the Japanese took possession of the island. There will be very little Java fibre available for three to four years, because new plantings are necessary on all of the estates, and it takes about this period to bring them to maturity, Mr. Brown adds. The company sisal comes from the British East Africa.

While the company's buildings, machinery and equipment, costing $471,589 have been written down to only $72,354, today's depreciated market value is estimated at approximately $513,000 while the replacement value is put at $720,000, Mr. Brown stated.

Directors were re-elected.

Stelco's Sales Are Up 48½% To Set Record

Sales of Steel Co. of Canada Ltd. in 1947 established a new high mark in both tonnage and dollar value, President H. G. Hilton states in a letter to shareholders with the Feb. 2 dividend cheque. Sales in value increased 48½% and output of rolled steel products was up 45% as compared with the previous year when strikes interfered with production, Mr. Hilton adds. Ingot production, though barely 2% below the wartime record, was supplemented by a substantial tonnage of semifinished steel provided under arrangements made with the Department of Reconstruction and Supply.

Distribution of its steel products amongst customers, under the present conditions of extreme demand from all consumers, continues to receive close study and attention and every effort is made to insure equitable distribution of the tonnage available, Mr. Hilton states. The advance in Canadian steel prices since 1939 has been considerably less than the average rise in commodity prices generally, he adds.

"A further wave of demands for high wages confronts industry," Mr. Hilton states. "Basing these demands upon increases in cost of living indices is understandable, but if wage rates become attached to the cost of living figures and there is no increase in hourly production, any apparent advantage to the wage earner is secured only at the expense of other groups. Further, such a procedure must result in higher costs, higher prices and in creating ultimately a state of dangerous inflation. Having regard to the interest of every Canadian, including industrial workers themselves, the present conditions are a challenge to the leaders of business and labor alike to discharge their responsibilities with full regard for the economic welfare of the country. Continued pyramiding of wages, costs and prices in an upward inflationary spiral can lead only to ultimate disaster," he points out.

"The root of the prices problem is the fact that too many dollars are chasing too few goods, partly the result of heavy exports against credits or as gifts, and also due to declining per capita production," Mr. Hilton points out. "The lack of restraint on the part of buyers has also been a contributing factor."

The average hourly earning of payroll employees at all the company's plants in December, 1947, was 70% above the average for the year 1939. This compares with an advance in the cost of living index of 46% between September, 1939, and November, 1947.

Delays in the completion of the important expansion projects which the company has under construction, accompanied by increasing costs, continue to be disappointing. Under prevailing conditions plans for further expansion are definitely discouraged by the impossibility of predicting the time required for their completion and what the final cost will be, Mr. Hilton states.

For Canada as a whole, pig iron output was approximately 140% above the average of the five-year period 1935-39 inclusive. Production of steel ingots in 1947 was only 3½% below the all-time record for Canada established in 1942, when certain units, not suitable for ingot production under normal conditions, were pressed into war service and when the observance of holidays was greatly curtailed. Compared with the years before the war Canada's ingot production for 1947 was 90% above that of the peak year 1937 and 2¾ times the average for the five years 1935-39, Mr. Hilton points out.

Agnew-Surpass Sales Increase

Sales of Agnew-Surpass Shoe Stores for the six months ended Nov. 30, 1947, were at an increased rate of approximately 12½%, as compared with the same period of previous fiscal year, a letter to shareholders states. Net profits for the period amounted to 58½c per share on the 402,944 shares outstanding which compares with 52½c on the same basis for the corresponding period a year ago.

During the period new stores were opened at Winnipeg and Fort William and the company is continuing its gradual expansion of retail distribution. Material and labor costs have increased considerably, resulting in somewhat higher selling prices. Production of company factory at Quebec City has increased during the period by further modernization of plant and equipment, resulting in greater efficiency, it is stated.

INTERPROVINCIAL MINING CORP. and HEBECOURT GOLD MINES are offering for public subscription $1,000-share units of both companies. Proceeds realized from sale will enable 15,000 ft. of additional diamond to be carried out on Inter-provincial ground on Cadillac break, where values up to $27.88 were obtained in previous drilling. Surface work and diamond drilling are under consideration for Hebecourt's 800 acres in Beattie district.

SPRINGER STURGEON GOLD MINES has declared a dividend of three cents per share, payable April 5 to shareholders of record March 15.

AUNOR GOLD MINES has declared a dividend of five cents per share, payable March 1 to shareholders of record Feb. 10.

J. R. HARRIS

vice-president and general manager of Building Products Ltd., has been elected a director of the firm.

Can. Breweries Salaries Shown

E. P. Taylor, chairman of the board of Canadian Breweries Ltd., received $60,000 from the company and its subsidiaries during the fiscal year ended Oct. 31, 1947, the proxy statement accompanying a notice of annual meeting on Feb. 18, 1948 shows.

J. A. Bohannon, president of the subsidiary Brewing Corp. of America, was the highest-paid officer of the company ($100,052.68 in the fiscal year). President D. C. Betts received $50,000 and Vice-President H. A. Taylor $30,000. The aggregate remuneration of Mr. Betts and Mr. Taylor respectively, for the fiscal year was $26,000 and $15,000 above the previous fiscal year. The major portion of the increase represented distribution to them under the "Plan for Awarding Incentive Remuneration to Senior Executives," it was stated.

Under the company's retirement annuity plan, the estimated annuity, assuming retirement at age 65 and continuance of individual contributions at 1947 rate, would be $4,776 for Mr. Taylor, $3,550 for Mr. Bohannon, $1,896 for Mr. Betts and $3,821 for Mr. Taylor.

On Oct. 29, 1947, Burns Bros. & Denton Ltd. was granted the right to buy 3,676 of the company's common shares at $24 per share, which was the approximate market price at that date, and such right was exercised immediately, it was stated.

Shareholdings of the nominees for directors are as follows:

Name	Shares owned directly or indirectly as of Dec. 1, 1947
E. P. Taylor	12,500*
C. D. Magee	10,401
Robert Fleming	365
M. W. McCutcheon	1,595*
Charles F. W. Burns	1,101
J. A. Bohannon	15,001†
D. C. Betts	1,414
J. Innes Carling	186
W. Fraser Hadley	1,501‡
Wilfrid Gagnon	640
R. S. Caverhill	1
H. A. Taylor	2,800

*Messrs. Taylor and McCutcheon are both directors and officers of Argus Corp. which, as of Dec. 1, 1947, owned 330,000 of the company's common shares.

†7,500 of these shares are held by Guaranty Trust Company of New York as Trustee under Trust Indenture dated May 26, 1946, in a portion of the corpus of which trust Mr. Bohannon has a contingent remainder and possibility of reverter upon the happening of certain contingencies. In addition, Mr. Bohannon has record but not beneficial ownership of one share.

‡1,001 of these shares are held outright and the remainder in trust, in which Col. Hadley has a present interest in the income.

Bell Tel. Seeks Power to Add To Its Capital

More new financing for Bell Telephone Co. of Canada is seen in prospect following approval of a bill providing for an increase in capital stock from $150 millions by the Banking & Commerce Committee of the Senate, with one amendment. The bill now goes to the House of Commons for final approval.

"Although the company's program of new construction during the next five years calls for a total expenditure of $360 millions, only a portion of this will have to be secured by issuing additional capital stock," president Frederick Johnson states. "It has always been the policy of the company to obtain new capital from the sale of bonds as well as the issuance of new capital stock, according to which is in the best interest of the company, and this policy will be continued."

The amendment to the plan, proposed by Senator Salter Hayden, K.C., provided for a cut in par value of the stock authorized for issue from $100 to $25. Referring to this, Mr. Johnson said, "The suggestion that our stock should be split four for one if made effective, should enable more small investors to become partners in the business and share in the company's progress."

"Authority to increase our capital stock from $150 millions to $500 millions is being sought in order that funds may be obtained from time to time to meet the present and future demand of the public for telephone service," Mr. Johnson adds.

The bill seeking this increase is not the final authority for capital expansion. As new equity capital is needed approval of the Board of Transport Commissioners will be required as in the past."

"In the future, as in the past, we expect to be permitted to earn a sufficient return on capital invested in the business, and thus find the public ready to invest sufficient funds from time to time to meet needed plant extensions. The company has always operated economically. It will continue to furnish the best possible service at lowest cost consistent with financial safety," Mr. Johnson added.

United Steel Declares Divd.

Directors of United Steel Corp. have declared a dividend of 12½c payable Mar. 30, 1948 to holders of record Mar. 10. This indicates a resumption of dividends by this company on the basis of an annual rate of 50c a share as against the previous rate of 70c which was interrupted with the deferment of the December dividend.

Earnings of United Steel for 1947 are expected to approximate those of 1946 when the final statements are now completed, The Financial Post is told. In 1946 the company had a net profit of $410,724 which was equivalent to 80c a common share, after Class A dividends.

The company is said to have a satisfactory backlog of orders and a good inventory position which could ensure satisfactory operation. The one question is the position of future supplies of raw materials particularly of structural steel in view of the Dominion's new austerity program.

COMPANY REPORTS

CANADA WESTERN CORDAGE CO. net profit for the year ended Sept. 30, 1947, was up 88% at $93,581. Working capital position at $380,215 improved $74,323 from previous fiscal year end. Inventories at $410,058 were almost double previous year's $227,285.

INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
Net earnings	†	$123,778
Less: Deprec.	†	19,349
Inc. tax‡	†	54,670
Net profit	$93,581	49,759
Less: Cl. A divds.	12,488	......
Cl. B divds.	20,350	......
Com. (old) divds.	7,400	29,600
Surplus for year	53,343	20,159
‡Incl. ref. EPT	......	2,108
†Not available.		
Earnings per Share and Dividend Record:		
Cl. A: Excl. ref. EPT	$2.81	$1.49
Incl. ref. EPT	2.81	1.56
Paid	0.37½	....
Cl. B: Excl. ref. EPT	1.89	0.81
Incl. ref. EPT	1.89	0.87
Paid	0.50	....
Com. (old): Paid	0.50	2.00

CONDENSED BALANCE SHEET

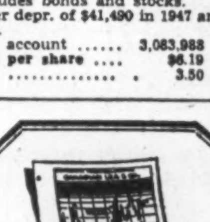
As at Sept. 30:	1947	1946
Cash	$31,219	$97,619
Accts., etc., rec.	114,093	68,285
Life ins., c.s.v.	9,947	8,758
Inventories	410,058	227,285
Total curr. assets	565,317	401,947
Def. chgs.▲	6,438	15,283
Fixed assets*	107,023	118,645
Total assets	678,778	535,875
Bank loan	60,000	......
Accts., tax., etc., pay.	125,102	96,055
Total curr. liabs.	185,102	96,055
Capital stock	185,000	185,000
Capital surplus	36,124	36,124
Earned surplus‡	272,552	218,696
*After depr. of	400,432	381,244
▲Incl. ref. EPT	3,714	10,920
‡Incl. ref. EPT	11,434	10,920
Letters of credit o/s amounted to $171,610 at Sept. 30/47.		
Working capital	380,215	305,892

GREY & BRUCE TRUST & SAVINGS CO. net profits were $10,971 higher at $67,422 in 1947. Total assets under administration jumped $2,338,534 to $13,971,845. Deposits and guaranteed investments at $10,005,109 were $1,796,600 higher.

Dominion, provincial, municipal bonds and security holdings totalled $6,256,671, an increase of $289,197. Mortgage investments were $1,447,202 higher at $3,713,443. Estates and trusts under administration amount to $3,083,983, an increase of $506,534.

Annual meeting is at Owen Sound, Feb. 11.

	1947	1946
Liab. to public, etc.*	$10,046,544	$8,246,366
Shareholders' equity	799,824	770,530
*Secured by:		
Mtges & sls. agree.	3,766,798	2,297,672
Office premises▲	27,490	23,500
Realty for sale	18,686	39,009
Liquid assets‡	7,033,394	6,656,715
Total	10,846,368	9,016,896
‡Includes bonds and stocks.		
▲After depr. of $41,490 in 1947 and $38,961 in 1946.		
Estates account	3,083,988	2,577,454
Earned per share	$6.19	$5.18
Paid	3.50	3.50



CANADIAN TREMBLOGRAPHS

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	Price*	Yield
Dominion of Canada 3% Bonds due September 1, 1961/66	102.25	2.80%
The Hydro-Electric Power Commission of Ontario 2¾% Bonds due October 1, 1965/68	97.25	2.93%
Province of New Brunswick 2¾% Debentures due Oct. 15, 1965	94.75	3.14%
Township of Tisdale 3% Debentures due Sept. 15, 1958-9	96.75	3.35%
City of Windsor 3½% Debentures due Dec. 31, 1966	96.00	3.80%
British Columbia Electric Co. Ltd. 3¼% First Mortgage Bonds, due October 1, 1967	96.50	3.50%
Montreal Tramways Company 5% General Mortgage Sinking Fund Bonds, Series "B", due April 1, 1955	100.50	4.91%
Traders Finance Corporation Limited 3¼% Sinking Fund Debentures due January 2, 1958	98.25	3.46%

**The prices mentioned are "and accrued interest" and subject to confirmation.*

We are always ready to give background information to help investors select securities.

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Mr. Gardiner Rebuked

Agriculture Minister Gardiner failed to convince delegates at the annual convention of the Canadian Federation of Agriculture that the United States market should continue to be closed to Canadian cattle. After listening to his arguments they passed a resolution asking Ottawa to lift the present ban and pointed out that the American market was the "logical and natural" outlet for Canadian cattlemen.

Similar sentiments have been expressed at scores of other agricultural gatherings throughout the country. Ottawa would do well to give them serious consideration.

True, lifting the embargo on Canadian cattle shipments to the United States would certainly upset the domestic meat market. Price levels in the United States, especially for beef are running very much higher than they are here. But Mr. Gardiner and his supporters in the Cabinet are taking a great deal of authority to themselves when they attempt to dictate to the Canadian farmer in peacetime where he can or cannot sell his products.

For a great many years we have been trying to get the American market really opened to Canadian cattle. Now, for the first time since 1923, we have a first-class opportunity. Under the Geneva Agreements, not only was the live cattle quota enlarged but the tariff on dressed beef reduced to a point where Canadian packing houses have a chance to compete. If Ottawa would lift the embargo we could ship cattle and beef by the train-load across the line and the American dollars we would receive in return would certainly be most welcome at this critical time.

Trade Minister Howe and other leading Ottawa spokesmen have been stressing the necessity of a closer integration of the United States and Canadian economies. If we are ever going to eliminate our chronic shortage of American dollars certainly Canada must obtain a much larger share of the processing and production of materials and goods needed on this continent. Opening the American market to beef and cattle would be an important and natural step in this connection.

Another Butter Famine, Unless —

Unless Ottawa moves quickly a serious shortage of butter is certain within the next few months. Stocks on hand at Jan. 1 were substantially lower than a year ago, and at the present rate of consumption will be completely exhausted before the surplus producing season commences with the new grass in May or June.

Only from May to November does Canadian production of butter exceed current consumption and not once in the last 10 years have any really comfortable surplusses been built up during those periods. Last year, and several times previously, we have had to import New Zealand butter, but never in sufficient quantity to check the steady rise in Canadian butter prices since 1938.

This winter the situation threatens to be still more serious but Ottawa seems in no hurry either in arranging for imports or in lifting the indefensible ban on margarine. Both moves are imperative and should be made at once. Far too long have consumers had to face an absolute butter monopoly.

Under the Geneva Agreements Ottawa spokesmen have admitted that our ban against margarine must go. In the same breath, however, they have hinted that some other way might be found, perhaps in a prohibitive excise tax, for keeping this product off the markets of Canada.

Consumers should be on their guard against such a manoeuvre. There never was a shadow of excuse for banning margarine. It is a cheap, wholesome substitute for a food product that is now beyond the purse of the average Canadian. The ban against margarine must go and it must go completely.

Keep Them Apart, Says CCF

The "hobby farm" of the urban business man is a disrupting influence in farm life, declares Arthur Haas, chairman of the Ontario co-operative committee of the CCF. He argues that the dirt farmer is antagonized because he can't compete, and the newcomer is generally unwelcome because he doesn't take part in community activities.

Like a lot of other theories advanced by CCF spokesmen no proof is cited for the simple reason that the argument cannot be supported. On the other hand literally hundreds of examples could be quoted in Ontario and other provinces where city men have gone into the country and have made a real contribution to farm life.

Some of our best prize livestock, grain and other agricultural products have come from these so-called "hobby farms" of city men. Practical farmers have welcomed this competition and it has been good for both classes and profitable, too.

This new and growing "back-to-the-land" movement is one of the healthiest developments in years. It brings city and country people closer together again, where each will gain a better understanding of the other's life and problems. The CCF, which counts so much on pitting one class against another, may not welcome it, but the responsible citizen certainly does.

How Short is Newsprint

A bogeyman is haunting United States newspaper publishers. In this particular case it is none other than that old friend "newsprint shortage."

No one denies that newsprint has been in short supply since the war and there is still not quite enough to go round.

Most observers, of course, realize that this is a temporary condition, but not the alarmists. They see no hope at all of plenty, at least so far as Canadian production is concerned.

In a recent editorial in Editor & Publisher publishers were told this:

> "Many American newspaper publishers have been lulled into a sense of security regarding their future newsprint supply. Some of them seem to think the shortage problem will solve itself in the not too distant future . . . failing to consider that the forecast production for the next few years will fall short of meeting present demand . . . All estimates for the future conjunction of supply and demand are based on an anticipated decline in usage. There is no substantial evidence to support such an assumption and it is foolhardy for American publishers to be lulled by such propaganda."

The only solution, concludes E. & P., is to have the Government of the United States start a newsprint industry in Alaska.

Now no one wants to lull the publishers into a false sense of security but, on the other hand, neither should anyone else be stampeded into uneconomic production. Just what is the supply-demand position? In 1947 total apparent consumption in United States was 4,752,904 tons and, according to estimates made by the Newsprint Association of Canada, maximum demand last year ran around 4,960,000 tons. In other words, if there had been unlimited supply, United States would have consumed about 250,000 tons more than it actually did.

What of the future? It is estimated that actual consumption in 1948 will be about 4,900,000 tons, which will be still about 245,000 below maximum demand. But it now appears that the 1948 shortage might turn out to be less than the estimates. One reason is stepped-up Canadian and United States production. Last year, for instance, the Canadian newsprint industry produced some 50,000 tons more than estimates and almost 100,000 tons more than its rated capacity. Also the United States industry increased its production by 7.1% over the previous year.

More than one study by Canadian and U. S. authorities on the subject indicate that there is enough newsprint capacity in the world to supply all needs if it were all put to work. New and costly mills at this juncture are not the answer to anything. And who is going to build them?

In the final analysis the willingness of investors to put up hard cash is the best criterion of the soundness of any project. One large company in the western states has turned thumbs down on the Alaska project. On behalf of the American taxpayers who would have to foot the bill, Washington would be well advised to move with caution.

This Needs Watching

As The Financial Post predicted he would, Tim Buck announced at a rally in Toronto's Massey Hall that the LPP will support the CCF in coming federal and provincial elections.

If any further evidence were needed that Canada's LPPers are nothing but political puppets twisting and turning at the end of the Communist party line, this decision to join forces with Coldwell and his family should be the clincher.

This is by no means the most glaring manifestation of the tortuous twisting of the Communist Party line.

Back in the "30's" after failing to weasel their way in the AFL, they formed their own trade union arm, The Worker's Unity League.

It didn't take, so they disbanded on orders from the International. They were also told to quit calling non-Communist leaders nasty names. Until told differently, they did. (Two months ago they were calling CCF labor leaders "tools of the bosses").

The war provided the classic example. At first it was an imperialistic war. Then Hitler and Stalin had words. Hitler attacked Russia. Overnight, the imperialistic war became a people's crusade against fascist tyranny.

The war had hardly ended when the line switched back to the old tactics of stirring up strife. Capitalism which had been the war ally was now the hated enemy.

Since then Russia's Iron curtain and steamroller foreign policies has just about exhausted the patience and sympathy built up during the war. The treason uncovered in the spy trials didn't help, either.

Now these political chameleons have changed color again. They failed to gain control of the labor movement; as a political force at the polls, the LPP is nonexistent. Today a Communist is getting to be the most thoroughly detested of all political species.

The directive to snuggle in alongside the CCF was not unexpected. Without as much as a "by-your-leave" to their followers, Stalin's Canadian bully boys sold the rank and file LPP down the river to CCFism.

With the Communists it isn't a question of asking the membership to decide. That's what the decadent democracies do.

And because the Red leadership, through iron-clad discipline, is able to demand and get blind, unquestioning support, it will always be a menace to our kind of democracy, whether in the open or boring from within the CCF.

Now, more than ever, the Commies need watching.

These Churchmen Disagree

The United Church Observer has a columnist who incidentally is a "continuing" Presbyterian. In this issue he talks about high prices. He says the reason is big profits and he talks about giving "a grudging increase in wages and squeeze it out of the consumer."

The same issue of the United Church Observer carries an editorial discussing the pressmen's strike and the results thereof. It explains that the United Church Publishing House was "unwilling to meet what they believed were excessive demands." It goes on to say that:

"There will of necessity be increases (in price) in all printing done in the House. These are difficult days for management as well as for labor . . . It is to be hoped that the whole Church, when it finds itself faced with increasing costs, will understand how unavoidable they are, and that their elected officers have done their best in a difficult set of circumstances."

Elsewhere in the same issue an advertisement of the Publishing House says: "It has now been necessary to agree to pay a wage rate which we regard as a serious burden upon our whole publishing program, and which can only result in increased selling prices for all of our materials."

The ill-tempered article by the Observer's columnist is typical of what comes from many pulpits these Sundays by preachers who do not have the responsibility of dealing with these serious problems under today's conditions and who do not apparently take the trouble to get at the real facts.

The contrast between what they say and what is said by the men who are in charge of the church printing house is marked.

Napier Moore's Scratch Pad

TRANSFER OF IAN MACKENZIE to the Senate reduces the number of lawyers in the Dominion Cabinet from 12 to 11. Excluding the Prime Minister, the ratio of lawyers is 50%. Among the remainder are one consulting engineer, one farmer, one physician, one lumberman, one electrical operator, one soldier-educationist, one former manager of a creditmen's association.

Sometimes, as we sit by the fire listening to our arteries hardening, we wonder how a cabinet with so small an aggregate of practical business experience can adequately deal with economic problems involving the very life of industry. Ministers, of course, rely on departmental advisers. But few of the advisers ever ran a business either. On the other hand, experienced business leaders rarely can be persuaded to enter political life. Baffling, isn't it?

• • •

SIR ROBERT WATSON-WATT, the man who perfected radar, one of the great scientists of this age, spoke in Toronto last week. While his address was just a trifle above our plebeian head, his beautiful command of English (spiced in delivery with a mellow Scottish accent) was impressive. Later, Sir Robert confessed that in his early university days it was a toss-up whether he would go in for writing or for science. What really fascinated us, though, was that while chatting after the meeting Sir Robert Watson-Watt, C.B., D.Sc., LL.D., F.R.S., with hands behind his back, twiddled a small screw driver. We ventured to ask him why on earth he was toting a screw driver. He grinned and said, "Oh, I've got several things at home that need fixing."

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THE UNIVERSITY OF MONTREAL has already collected $10 millions of its $11 million campaign, under the leadership of Hon. Philip Brais, C.B.E. In connection with the drive, members of the Montreal Board of Trade were invited to a buffet luncheon in the distinguished modern foyer of the university building. One of this column's sleuths was there. He reports that, welcoming a group of the Board of Trade executive and council, Mr. Brais, with exuberant cordiality, said, "Gentlemen, I am delighted that the cream of the cream is here." To which one of them replied, "Ah, Mr. Brais, that is precisely why we came without de lait."

(Should any reader not grasp this, a detailed explanation and chart will be sent on receipt of a stamped, self-addressed envelope.)

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R. D. RALFE, assistant superintendent of agencies, Manufacturers Life, has a territory crisply described as "Europe, Africa, Asia." Last October, Mr. Ralfe left to make a few calls in England, India, Singapore, Hong Kong and Manila. He flew every inch of the way. Last week he arrived by air in San Francisco; decided he would take the train home. The streamliner was wrecked. Happily, Ralfe escaped uninjured.

• • •

BRUCE MARSHALL, author of "Father Malachy's Miracle," "Vespers from Vienna," "The World, the Flesh and Father Smith," etc., is a good companion. We spent several pleasant hours with him. From 1926 to 1940 Marshall was a chartered accountant in Paris. So we were interested in the dim view he took of the French franc devaluation. He thinks the British pound is bound to be affected. The previous night, under the auspices of the Catholic Guild of St. Paul, Marshall had lectured to 1,100 people in Eaton Auditorium. In the front row sat Cardinal McGuigan. The chairman, with a slip of the tongue, introduced the speaker as author of "The World, the Flesh and the Devil." Instantly recovering himself, he said, "Your Eminence I apologize. . . ." Whereupon the Cardinal, in high humor, cut in with "Don't look at me!"

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LISTENING to the It's Your Business broadcast we learned that the auto industry has approved a standard height of 18.25 in. for all car bumpers. Well, well! Fifteen years ago, addressing the Society of Automotive Engineers on the reactions of an average motorist to scientific designing, we urged this as a simple means of avoiding locked bumpers. As the chairman had previously indicated that the speaker was quite a humorous fellow, the suggestion was greeted with gales of merriment.

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AT THE MOMENT, we feel pretty humble. We have blissfully basked in the glory of our first name, believing that it got to Scotland via William the Conqueror. Now, before us, is a melancholy magazine piece which tells how names grew out of titles bestowed upon those who performed the many and varied duties required by the feudal overlords of old. It says, "In the absence of plates and forks, food was served on a round slab of bread called a 'trencher.' The 'Ewer' came round with water with which the diner washed his hands. Immediately after him came the 'napper' or 'napier' with a towel of napkin with which to dry the hands. Hence our modern Napiers."

Shucks.

Stop Me If—

"Zoup, sir?" asked the waiter.

"I don't know what you're talking about," said the diner.

"You know what hash is? Well, zoup is looser."

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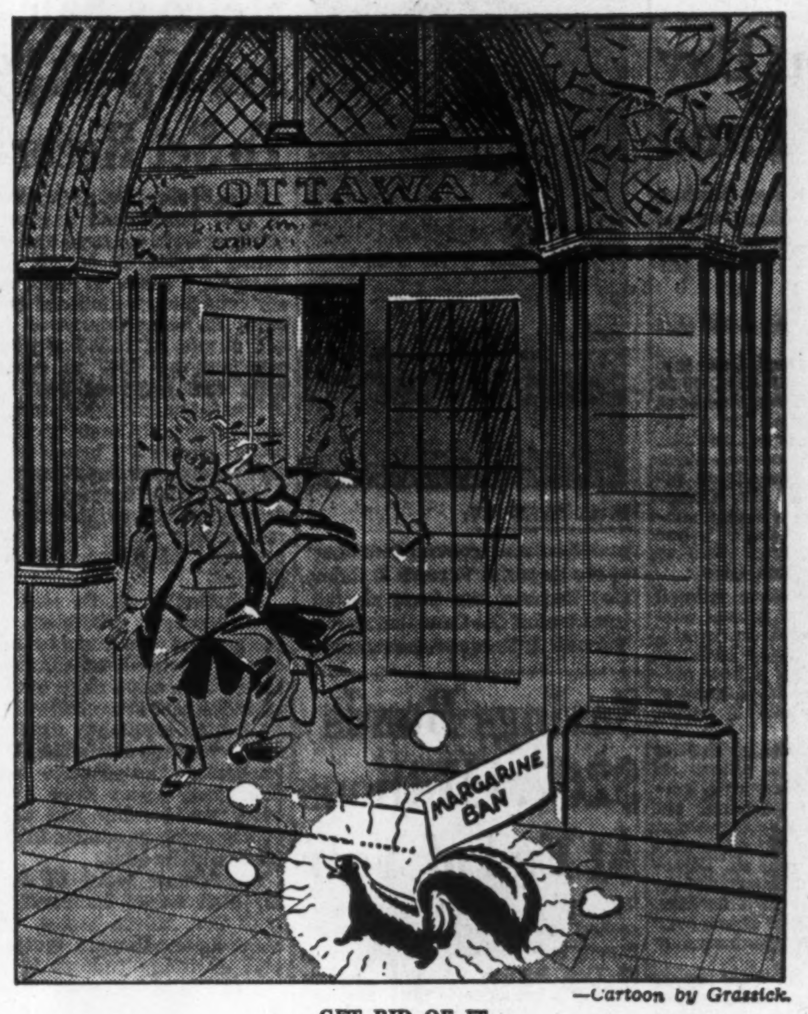
"That's a nice hat you're wearing, Jim."

"Yeah, Bill, I bought it six years ago, had it cleaned four times, changed it twice in a restaurant, and it's still like new."



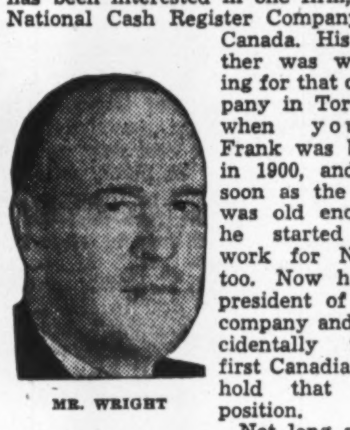
—Cartoon by Grassick.

GET RID OF IT

Post Scripts

NCR's New President

For as long as he can remember and a few years more, Frank E. Wright has been interested in one firm, the National Cash Register Company of Canada. His father was working for that company in Toronto when young Frank was born in 1900, and as soon as the son was old enough he started to work for NCR, too. Now he is president of the company and incidentally the first Canadian to hold that top position.



MR. WRIGHT

Not long after Frank arrived on the scene, the Wright family moved to Winnipeg. Here Frank's father was manager of the local branch of National Cash Register from 1905 until 1934.

Frank Wright attended public and high school in Winnipeg, and in the fall of 1916 he came east to attend Ridley College, St. Catharines. From there he enlisted in the old Royal Flying Corps, later the RAF. He was only 17 at the time but assuring the recruiting officer he was 18, he was accepted and finished his training at the nearby Beamsville Camp. He got in quite a lot of flying, but the end of the war prevented him from getting into action, so he went back to Winnipeg and into the office of the National Cash Register Company under his father's guiding hand.

Apparently company executives believed they had something extra in young Wright, for they decided to move him to headquarters of the parent concern at Dayton, Ohio, for special training in advertising and sales promotion. He was at Dayton for two years, then returned to Winnipeg as a salesman.

When the NCR entered the accounting machine field in 1929, Frank Wright again went to Dayton for training in this new field, and handled this department of the business for Manitoba, Saskatchewan and Alberta until 1934.

That year his father retired as sales agent, and the son succeeded him as head of the Winnipeg branch. Two years later he was moved to Canadian head office at Toronto.

In 1929 Frank Wright married Muriel McLean of Winnipeg, and they have two children, a girl, Jocelyn, and a boy, Billy. The family have a summer home on Lake Muskoka, which they use the year round, as they are all interested in outdoor life. Besides his business, Wright's main hobbies are music, boating, shooting and fishing, and he never misses the opportunity to indulge in any of them when possible.

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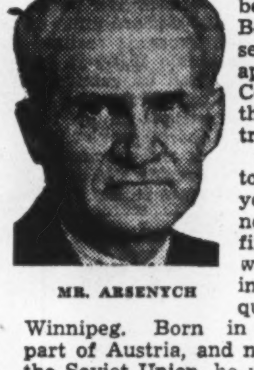
First of His Race

Canadians of Ukrainian birth or descent are to be found in Parliament, provincial legislatures, municipal councils, and in the professional and cultural life of the country but not until the recent appointment of Jaroslaw William Arsenych, a Winnipeg lawyer, has one of that race ever been on the Bench. Mr. Arsenych has been appointed County Court Judge for the Judicial District of Dauphin.



MR. ARSENYCH

Arsenych came to Canada 42 years ago—he is now 64—and his first steady job was as a laborer in the stone quarries north of Winnipeg. Born in Galicia, then part of Austria, and now territory of the Soviet Union, he was involved in a student movement in his country which was advocating Ukrainian autonomy. His father, a well-to-do farmer, encouraged him in his idea of going abroad to complete his education.

He set out for Canada and arrived in Winnipeg early in 1905 with $7 in his pocket. His parents told him if he needed money he could write home for it but he never found that to be necessary. The day after his arrival he got temporary work as a carpenter to help build a store in the north end of the city which is still doing business. When it was built he got another job in the printing shop of "Svenska Canada." Late in 1905 the provincial government established bi-lingual training classes in a Normal School and young Arsenych enrolled in the English-Ukrainian course.

In the off-training periods he worked in the stone quarries at $1.75 a day to pay for his education and by 1907 he knew enough English to qualify for a teaching permit and was engaged by a school in the Dauphin district where he is now County Court judge. After two years teaching he registered in the Arts course at Manitoba College.

Completing his first year he went back to teaching, this time in Saskatchewan to earn money to finish his university course. In the holiday periods he worked as farm laborer, was employed in a hardware store, sold real estate, and on one occasion, when back in Winnipeg, got an assignment as interpreter for the Courts in a lawsuit in which some of the litigants and many of the witnesses were Ukrainians. The lawyer who got him the assignment persuaded him to article as a law student and he registered in the law school and was called to the Bar in 1917. He became the partner of the man who induced him to study law and remained with him more than 25 years.

Mr. Arsenych has a family of five, two daughters and three sons. One of his sons is a veteran of Hong Kong and another served in the Navy during the last war.

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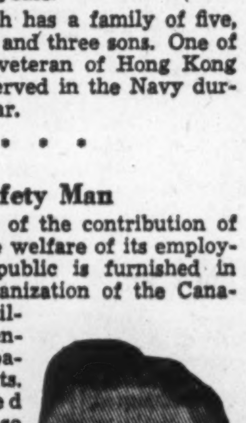
Safety Man

An example of the contribution of business to the welfare of its employees and the public is furnished in the safety organization of the Canadian Pacific Railway for prevention of occupational accidents.



MR. GUERTIN

Established only recently so far as the West is concerned, the latest step in this progressive program is the appointment of Euclid L. Guertin as general safety agent of the prairie region of the road, announced this month from Winnipeg by General Manager L. L. MacKay. Mr. Guertin succeeds I. J. McNaughton, first appointment to the post in 1944 and now assigned to special duties at company headquarters in Montreal.

Part of his work as safety agent will be the supervision of instruction of employees on the signals employed in operation of railway trains. For this purpose a demonstration car has been built at the Angus Shops, similar to one demonstrated on eastern lines last year. It is making its first trip over CPR lines in the prairie and Pacific regions. The car is equipped as a lecture room with lighting facilities which give an accurate reproduction of automatic and interlocking signals.

Member of a well-known French family in Ottawa, Guertin was born in Aylmer East, Quebec. He has been with the CPR more than 20 years and for a time was representative of CPR telegraphs in Ottawa. Originally he was an operator himself and subsequently was traffic solicitor and branch agent for the company's communication branch.

What Others Are Saying

Editorial of the Week

Economic Integration

Windsor Star

The phrase "economic integration" will frighten some, who will regard it as economic domination or annexation. Actually, it means no such thing, and, in fact, would be the best protection against domination by our powerful neighbor. Nothing could be more conducive to falling unduly under the economic influence or direction of the United States than to have a perpetually weak economy in Canada.

Economic integration is not new. It applied in wartime under the Hyde Park agreement. It was of benefit to both Canada and the United States, and permitted this country to end the war with a surplus of more than $1,500,000,000 in United States dollars.

Canada cannot exist indefinitely in a state of "austerity." Nor can we rely, permanently, on artificial expedients to balance our trade and financial dealings. We cannot allow ourselves to be in the position of "poor cousin" of the United States. We must have the American standard of living and prosperity. To achieve these, economic co-operation, or integration if one prefers that word, is required.

The forces of geography and current history push Canada toward a closer economic co-operation with the United States. But, they do not necessarily detract from sentimental or other attachments to Britain and the Commonwealth.

Other People's Views

LET'S HAVE PROOF OR SILENCE on profiteering charges, demands the **Toronto Globe and Mail.** "The price spreads committee, once it has defined the word 'profiteering' to its own satisfaction, should seek out the guilty persons relentlessly. Its report should be followed by stringent punitive action. In the meantime, we have had enough of demagogic shouting about profiteers. The public wants some hard facts in proof—or silence."

PARLIAMENT NEEDN'T WAIL about the loss of its powers to the Cabinet asserts the **Calgary Herald** because "it was Parliament which gave such tremendous powers to the Cabinet in the first place. It was Parliament, or more properly, the Government members, who renewed those powers when war ended and when, to all purposes, the emergency ceased. Parliament must decide shortly just how long this country is to be presumed to be in an emergency. If the emergency is never to end, Parliament might as well pack its bags and go home. The Cabinet, armed with its present powers, can carry on most comfortably without it or its advice."

QUEBEC'S FLAG does not mean any breakup of the Dominion, says the **Vancouver Sun.** "Admittedly the extreme nationalist group in Quebec have been in the vanguard of those demanding this symbol of provincial sentiment. The same people have replaced Victoria Day on May 24 with a commemoration of Dollard. But it is possible to get over-excited as to the new emblem's significance as a token of 'separatism.' Not everyone in Quebec wants to destroy Canadian unity and break Confederation asunder, yet all French Canadians are, with reason, proud of their cultural heritage of which this new flag is a token. They were Canadians long before the rest of us."

ACTUAL COST OF LIVING in Canada has gone up far higher than the official Dominion Bureau of Statistics indicates, asserts the **Ottawa Journal.** "The cost of living in Canada has not gone up nearly as much as in some other countries, and has been kept down by a great deal of wisdom. But, related to the average wage earner or to the person on a fixed income, looked at in the light of what a family has to buy in order to live, it has gone up far more than 45%. Any cost-of-living index which, by some system of percentages worked out in 1939, pretends or suggests otherwise, is not creating confidence in a cost-of-living index."

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Feb. 7, 1948

The Provincial Roundup

British Columbia

Ban on Again, Off Again: The Japanese racial issue seemed to be coming rapidly to a head, after a ban against Japanese working in the woods was introduced and lifted within a week.

On Jan. 27, provincial officials announced that the prewar ban against Japanese working on Crown lands, would be reintroduced on April 1, with the end of federal wartime orders.

More than 6,000 Japs are living in the interior of the province, many of them working in the woods and the mills. The ban would have meant that they would be out of jobs.

By the week end, however, protests from civic, labor, church and other organizations had become so great that the Government waived the ban temporarily, passing the hot potato on to the Legislature when it meets next month.

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Alberta

Eggs to England: Record shipment of $300,498 worth of shell eggs under the Canada-British food contracts went from this province to Britain between Sept. 1 and Jan. 27, it was announced here. There were 89,767 cases, with 30 dozen eggs to the case, in the shipments. (For the same period last year, 22,765 cases.) The increase was attributed by L. F. Dawes, district poultry products inspector in Alberta, to an increase of early chicks hatched. Average price was 44c a dozen.

Oppose French Radio: Protestant organizations and established radio stations, joined in opposing (before the CBC Board of Governors) an application for a French-language radio station in Edmonton. "The application is prompted by the state church in Quebec, an institution which in its constitution is separatist and individualistic, and in its entire policy is governed from abroad," said C. Grimwood, spokesman for the Baptist Union of Western Canada. Radio stations submitted there was not room in the field for another, without seriously impairing advertising revenues. "Religious intolerance," retorted the applicant group, headed by Dr. L. O. Beaudhemin of Calgary.

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Saskatchewan

Challenge Mineral Tax: The province's Mineral Taxation Act, 1944, faced a court test. Canadian Pacific Railway and subsidiary companies challenged the levy of three cents an acre on all underground mineral rights, as an attempt by a Provincial Government to impose indirect taxation, in violation of the British North America Act. The railway's writ charged the purpose of the statute is "confiscation of estates in mines and mineral rights under the guise of taxation," that "the prohibitive rate of taxation imposed" has prevented the railway from paying their taxes; and that some of their mineral rights has been confiscated by the province.

The Act imposes a mineral tax on all land in the province. Landowners who pay the tax retain the rights; those who do not, forfeit their rights to the Government. The CPR owns approximately 3,592,151 acres in Saskatchewan. The mineral tax has been paid on about 487,627 acres because of commitments to development or exploration companies.

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Manitoba

West of the Red: Manitobans this week had the long-awaited answer to a $64-question. The $4.7 million Winnipeg-Emerson highway (The Financial Post, Nov. 15, 1947, Jan. 17, 1948) was to run west of the Red River. The route selected follows the general location of the existing Provincial Trunk Highway No. 14 to a point south of Morris, then crosses to the west side of the CNR track, paralleling the track as far as the Emerson Junction, where it crosses the Red River to meet the Port of Noyse, Minnesota. On the east side of the river a secondary highway is to be built from St. Pierre to Emerson, to provide an all-weather road for east-side traffic, and to serve as a detour during construction.

Tax Railways?: Faced with need for additional revenues, Winnipeg planned an attempt to collect some $800,000 in realty and business levies on railway property this year. W. P. Fillmore, appointed several months ago to survey the subject, had reported that he considered properties of the CPR, CNR and the Midland Railway, no longer tax-exempt. The CPR cited an agreement made with the city in 1881, guaranteeing it exemption "in perpetuity"; but Mr. Fillmore challenged the railway company's authority to enter into such a compact.

• • •

Quebec

Annex Newfoundland?: Premier Duplessis and Liberal Leader Adelard Godbout differed on the Newfoundland issue. The latter called for action to annex the "oldest colony" to Canada: "We would be the first to bite our fingers, if Newfoundland, with its possibilities of vast natural wealth and resources, especially in Labrador, one day passed into the hands of the United States." M. Duplessis frowned on any steps toward annexation: "The price of $190 millions mentioned in this connection, could be far better used to settle our housing problem, and to aid our agriculture and colonization."

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New Brunswick

Record Apple Harvest: More apple trees were planted in New Brunswick in the spring of 1947 than for many years. Agriculture Minister A. C. Taylor revealed. A total of 250 acres of new plantings was recorded, an increase of 25 acres over 1946 total. Simultaneously, a new high was reached in the apple crop, with an estimated 120,000 barrels, 10,000 above the previous record registered in 1943 and 1946.

The cranberry crop also showed a sharp increase, yielding 150,000 quarts, double the 1946 total. Small fruits likewise proved a considerable source of revenue: strawberries 1.2 million quarts; blueberries more than three million pounds; raspberries 40,000 quarts.

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P. E. Island

Capital Has Surplus: Charlottetown closed 1947 with a $10,000 surplus, and a debt reduction of $61,497. The city has been hampered for years with an overload of funded debt dating back to the 1930's for direct relief payments. With the debt down to $1.8 millions it still costs taxpayers nearly half the total tax revenue to service the balance. Interest is high in the coming civic election, with contests assured for every ward, and with Mayor B. Earle MacDonald seeking another term.

Fire Loss Low: Charlottetown's 1947 fire loss was $27,000, lowest in many years. Peak loss was in 1946, when four serious industrial fires brought the total to $820,000—four times the figure for the preceding four years.

M. D. McCARTHY

has been elected president of the Vancouver Stock Exchange.

Gold Exports Allowed Only by Official Okay

An advertisement by the American Nile Corporation wanting to buy "exportable" gold bars and coins has raised many enquiries into the situation regarding the export of gold.

The American Nile Corporation apparently carries on a banking and mercantile business in Egypt, Syria and Labanon. It is understood it is owned by K. A. Zilkha of Cairo, Egypt and the Zilkha family has banking interests in the three countries indicated.

Among associated business firms are Banque Zilkha S. A., in Cairo, also the K. A. Zilkha, Maison de Banque in Bagdad, Beyrouth and Damascus.

Reports obtained from New York indicate that the Corporation there acts as a sales agents for far-eastern merchants and exporters. The New York manager is Joseph I. Sasson. The company is well known to New York bankers.

Speculation prevails as to what the corporation will do with the gold if it gets any in this country. Under present legislation it can't pay over $35 an ounce here if it can buy any, while the official price in the United States is likewise $35.

But once it got gold out of the country a high premium would be obtainable on the "free markets." Even in Canada the free market price of gold has been quoted at $44 an ounce, in New York $42.75, up to $81 in Bucharest.

In most countries trading in gold is under regulation but free markets are reported still obtaining in Macao in Portuguese China; Tangiers, in North Africa; Beyrouth in Syria and Caracas, Venezuela. Free market price in Beyrouth, December 1947, was quoted at $52; Tangiers at $53. In Cairo the price was around $62.50.

The International Monetary Fund has shown stern opposition to black markets in gold. It is believed that the amount of gold in scrap, bullion or coin available in this country is very small.

Here are some of the questions and answers.

Can gold be exported from Canada?

Under order in council "the export of gold, whether in the form of coin or bullion, from Canada, is hereby prohibited except in such cases as may be deemed desirable by the Minister of Finance and under license to be issued by him."

How can license to export be obtained?

Application must be made to the Minister of Finance giving the reasons why it is desired to export. Then if the minister thinks it in the best interests of Canada to grant the license he will give it.

Who can apply for license?

Licenses to export will be issued only to the Canadian chartered banks or to the Bank of Canada, which may act as agent for persons wanting to export gold.

What is included in the term bullion? Does it mean more than gold bars?

The former regulations have been amended as follows:

"In these regulations and for the purposes of The Gold Export Act as amended, bullion is hereby defined to include

(a)—Base bullion

(b)—Unmanufactured minerals containing gold

(c)—Ore containing gold

(d)—Ore concentrates containing gold and

(e)—Any other article or thing containing gold that is exported for commercial purposes where the value of the gold contained therein would, if it was refined as fine gold, exceed 70% of the value of the article or thing.

For the purpose of the regulations "the value of an article or thing that is to be exported is the actual amount received or to be received in terms of Canadian dollars, exclusive of all charges, by way of payment for the article or thing exported and if no payment has been received or is to be received, is the fair market value of the article or thing in terms of Canadian dollars."

The amount of commercial gold exported from Canada in recent years has not been published. Some of the larger shipments have been gold shipped here, either before or during the war by nationals of friendly nations having no enemy taint. This gold can be exported under licenses and some of it has been moving this way, it is believed.

Canadian mines it is understood usually ship their gold to the mint.

Feature of interest to the Canadian mines in the above regulations is that ore and ore concentrates are now classed as bullion.

Manitoba Flies Fish Eggs to Aid Park Resources

From Our Own Correspondent

WINNIPEG — In replenishing game and commercial fishing resources, the Manitoba Department of Natural Resources this year transported more supplies than ever before.

One hundred million whitefish eggs were collected and transported mostly by air to the government hatchery at Dauphin River on the west side of Lake Winnipeg. Nearly 2,000 lake trout were trapped in the north and taken to the provincial Whiteshell forest Reserve in the eastern part of the province and to Clear Lake in Riding Mountain National Park.

BUSINESS THIS WEEK

	JAN.	DEC.	NOV.	OCT.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dominion total revenue	....	233.7	214.9	229.6	264.2
Dom., total expend.	....	160.4	183.7	170.5	179.4
MERCHANDISING					
Dept. store sales index no. (1)	....	397.8	348.2	286.4	325.7
Retail sales index (no.)	....	....	274.5	254.1	245.8
Wholesale sales index (no.)	....	....	297.1	325.5	257.2
FINANCE					
Dividend payment index (5)	188.7	183.1	175.8	174.4	155.2
Bank debits	....	....	223.8	240.1	206.2
▪Money supply (millions $)	....	....	7,546	7,619	7,613
NEWSPRINT CAPACITY					
Production ratio	....	100.8	103.6	104.3	98.8
Shipment ratio	....	101.1	111.7	102.5	103.6
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	199.1	148.5	150.4	188.2
Cars (D.B.S.)	....	169.2	153.1	148.9	155.3
COST OF LIVING					
D.B.S.	....	146.0	143.6	142.2	127.1
EMPLOYMENT INDEX					
All industries	....	....	197.4	194.8	182.7
Manufacturing	....	....	205.0	103.6	192.8
Payrolls (June 1/41=100) (2)	....	....	188.5	184.5	154.6

	1947-48	1946-47	1947-48 Jan. 1 to date	1946-47 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
▪Carloadings (week Jan. 24)	71.7	70.5	275.8	264.1	+4.4
C.N.R. net rev. (Nov.)	4,924	5,661	37,325	40,346	—7.5
C.N.R. gross rev. (Nov.)	37,493	37,128	399,699	364,775	+9.6
▪C.P.R. gross rev. (Dec.)	28,604	24,948	318,586	292,496	+8.8
▪C.P.R. net rev. (Dec.)	3,923	3,121	22,892	20,843	+9.8
IRON AND STEEL (000's omitted) (Nov.)					
Pig iron production (tons)	174.1	135.3	1,804.3	1,242.3	+45.2
Steel production (tons)	255.4	222.6	2,695.4	2,097.3	+28.5
CONSTRUCTION (000's omitted)					
▪Contracts awarded (Dec.)	35,102	36,535	718,137	663,335	+8.2
▪Cement prod., bbls. (Dec.)	1,068	721	12,219	10,675	+14.4
AGRICULTURE (000's omitted)					
▪Flour prod., bbls. (Nov.)	1,692	2,350	28,107	27,375	+2.7
Flour exp., bbls. (Nov.)	1,197	1,277	16,990	14,171	+19.9
▪Wheat exp., bush. (Nov.)	17,373	16,852	144,621	143,289	+0.9
Cattle sales (Dec.) (4)	199.9	172.1	1,581.5	1,889.1	—16.3
Hog sales (Dec.) (4)	613.5	404.5	4,756.0	4,460.7	+6.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Dec.)	55.1	79.4	1,093.7	1,216.0	—10.0
Landed value (Dec.) $	2.4	1.9	46.0	55.6	—17.3
NEWSPRINT (000's omitted)					
Production (Dec.)	369	342	4,447	4,143	+7.3
Exports, tons (Dec.)	370	340	4,490	4,136	+8.6
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Dec.)	1,761	1,574	15,839	17,812	—11.0
Gold prod. (fine oz.) (Nov.)	252	231	2,795	2,603	+7.4
▪Petroleum prod. (brl.) (Nov.)	666	620	6,906	7,012	—1.5
ELECTRICAL POWER OUTPUT (000,000's omitted) (Nov.)					
Total monthly kw.h.	3,614	3,567	41,322	37,932	+8.9
FOREIGN TRADE (millions of $)					
Imports (Nov.)	229.1	198.2	2,379.8	1,745.4	—15.9
Exports (Dec.)	266.2	211.9	2,774.9	2,312.2	+20.0
FINANCE (millions of $)					
▪Bank debits (Dec.)	6,811	5,935	74,498	69,248	+7.6
Bond sales (Dec.)	206.3	224.6	4,446.8	5,692.1	—21.9
Life insurance sales (Oct.)	102.7	105.7	907.5	887.0	+2.5
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod. (Nov.)	2,737	3,566	33,026	40,111	—17.7
Cigarette cons. (no.) (Dec.)	1,327	1,221	14,141	14,866	—4.9

(1) Base period 1935-39=100.
(2) All industries.
▪New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Gas Rationing Started in B.C.

Gasoline dealer organizations in B. C. went into hurried consulation this week after sharp cuts in gasoline supplies to that province had been announced by Imperial Oil and Shell Oil. The companies' action came after the provincial Fuel Control Board granted a 3c-a-gallon increase against 4½c sought by oil companies.

Here is what the dealers intend to do:

Continue 1947 deliveries to commercial firms operating their own pumps. After that trucks, doctors and other essential users will rate priority.

Together Imperial Oil and Shell Oil market approximately 60% of the gasoline sold in B. C. Imperial Oil has announced its decision to cease importation of gasoline into the B. C. market. Up to now the company has been importing 32% of the gasoline it sells in B. C. Shell Oil has announced that it has cut deliveries by 20%.

At midweek McColl-Frontenac and British American Oil had not decided on their policy.

Meeting Approves John Inglis Co. Eng. Elec. Deal

Shareholders of English Electric Co. of Canada approved this week by a large majority, the recent share exchange offer made by John Inglis Co. Of the English Electric shares represented at shareholders' meetings, 28,145 class A shares were voted in favor and 3,747 shares against, 42,242 class B shares in favor, 1,422 against.

The offer provides for an exchange of shares on the basis of two shares of Inglis stock and $3 in cash for each class A share and one Inglis share for each two shares of English Electric class B stock.

"In becoming shareholders of the John Inglis Co., shareholders of English Electric will still retain an interest in the assets and earnings of English Electric and will also participate in earnings and dividend payments made by John Inglis Co.," Crawford Gordon, Jr., president of English Electric Co., stated. The exchange proposal now awaits the approval of the court.

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Are You Asking These Questions About Saving Electricity?

IS IT STILL NECESSARY TO SAVE ELECTRICITY?

Yes. Not nearly enough saving is yet being made, especially in the home. Result, for some time past several large industries have had their power supply cut off for lengthy periods in the 24 hours.

IS IT NECESSARY TO SAVE ONLY AT CERTAIN HOURS?

No, it is vital to save at ALL hours. While electricity cannot be stored, water that generates it can be stored. The water storage for the five Hydro plants in the Niagara area is provided by the Great Lakes. This assures a continuous flow of water sufficient to enable these plants to go all out 24 hours a day—still there is not enough power. In 48 other Hydro generating stations throughout Ontario the water supply must be very closely guarded—if too much electricity is demanded one day, the next day's power supply must suffer. This condition is aggravated by the abnormally low rain fall last Autumn.

MUST HOMES DO ALL THE SAVING?

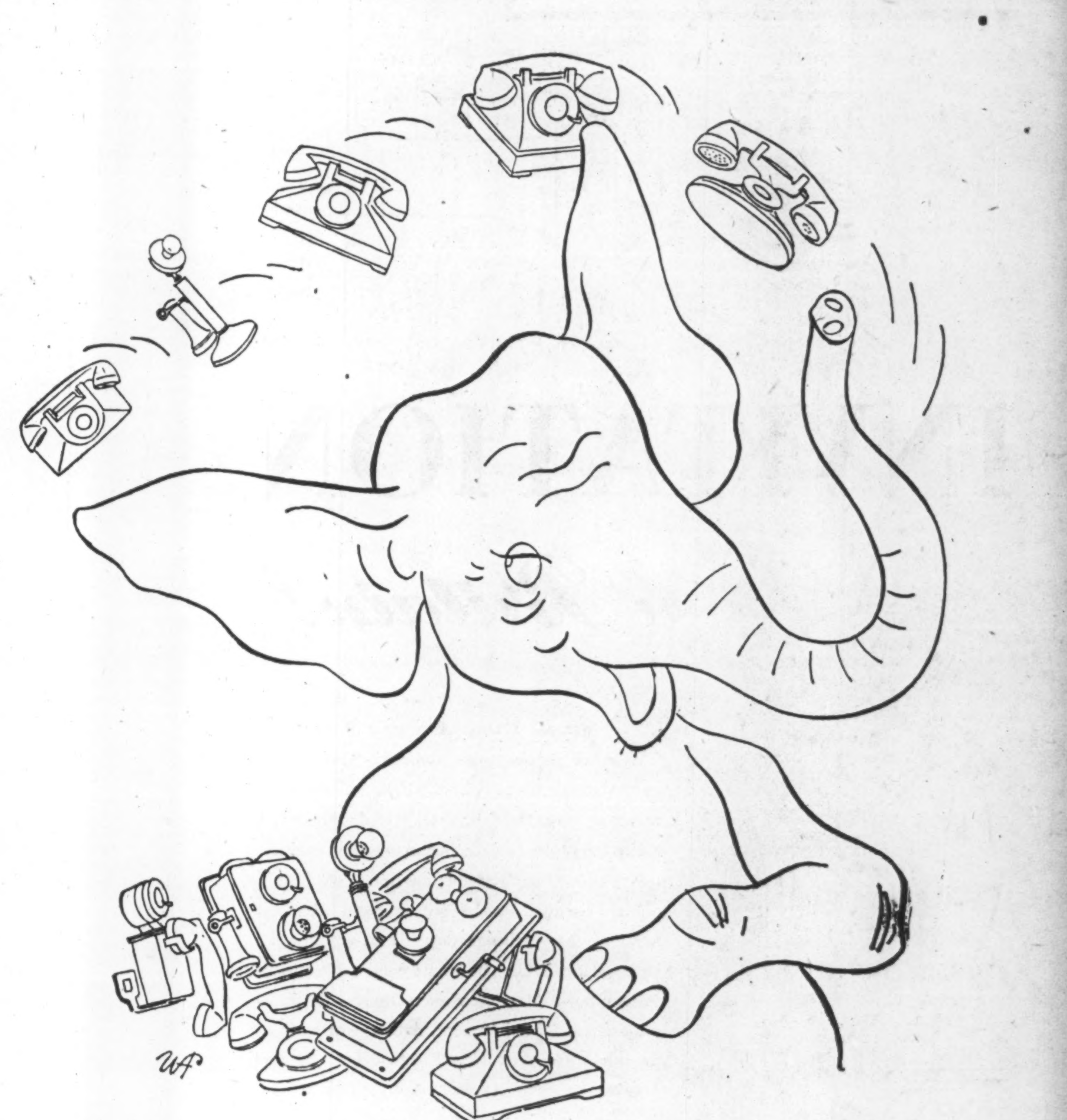
Not by any means. ALL consumers must play their full part. Modified rationing has to some extent reduced the consumption of electricity in stores and by other commercial consumers, but still greater voluntary savings are urgently needed.

HOW CAN I SAVE MORE ELECTRICITY?

Don't leave lights burning in unoccupied offices. Turn idling motors off. Use range elements as short a time as possible. Turn off verandah and all other lights when not needed. Use electrically heated water sparingly. Do not use electric heaters or grates.

Avoid All Waste — SAVE ELECTRICITY!

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO



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LABOR ROUNDUP

By RONALD WILLIAMS

What Are Job Prospects For 1948? Ottawa Sees Year Of Full Employment

The employment picture for 1948 looks bright with the prospect that by midsummer there will again be more jobs than jobseekers.

That's the view of the Federal Department of Labor.

Both skilled tradesmen and materials are likely to be in somewhat better supply. This should permit further expansion of industry, thus opening up jobs for more unskilled workers.

Plans in construction and mining indicate an increase over 1947 employment levels while demands for seasonal workers in agriculture, transportation and services should not be less.

Besides giving a preview of things to come, the Labor Department, in its monthly report on the current manpower picture, squelches a lot of the reports that unemployment is becoming "grim."

Actually, things are considerably better than they were in Jan. 1947 and in 1947 they were a whole lot better than in Jan. 1946. The winter decline has been less severe than normal.

At Jan. 15 there were 166,000 men and women (128,000 men) registered with National Employment Service; a year ago, 183,000.

But at the same time, there were 36,000 jobs going begging. Demand for skilled tradesmen remained fairly steady but there were fewer jobs open in logging and construction.

• • •

Jobs Harder To Get in Maritimes

The Maritimes continued to be the bleakest job hunting territory. The normal slump in construction and agriculture has been augmented by the loss of the United Kingdom soft wood lumber market and a decline in port activity.

At Jan. 15, there were 21,000 jobless, only 2,000 jobs. The worst areas were Pictou and Sydney, possibly the most depressed areas in Canada. Halifax and Dartmouth were running them a close second with indications that this week, unemployment would reach last year's peak of 5,000.

Other regional summaries:

Quebec: 46,000 jobless: 14,000 jobs. Current situation better than normal with prospects of a record employment year. Primary textiles, paper mills operating at capacity; clothing industry getting under way after a late start due to buyers' hesitation.

Ontario: 44,000 jobless; 13,000 jobs. Despite the usual winter layoffs, employment has remained remarkably high. Skilled labor still scarce.

Prairies: 28,000 jobless; 5,000 jobs. Because of wide seasonal fluctuation, current labor demand is low. Coal mines still looking for experienced miners but no jobs open for unskilled help. Pulp and paper mills working at capacity.

Pacific: 27,000 jobless; 2,000 jobs. Jobs still at a premium but the rapidly climbing labor surplus now levelling off. Seasonal upswing expected in March. Labor turnover has fallen sharply.

• • •

Communist On Cook's Tour

Social Note: J. B. Salsberg, the LPP's labor union braintruster, is now on an extended tour of Europe, the Middle East. He's visited many D.P. camps and in Jan. 24 Canadian Tribune, was reported in Palestine. So far there's been no mention of a visit to Moscow. Joe is due back in February in time to take his seat in the Ontario Legislature.

• • •

Reds Out to Block "Iron Curtain" Movie

The Communists are about to start a pressure campaign to halt the showing of the 20th Century-Fox movie, "The Iron Curtain." This is the story of Igor Gouzenko and the Russian spy ring in Canada.

Following reports that the film might have its premiere in Toronto, the word is being passed along to try and stop it.

Movie moguls, the Communist press advises, are notoriously sensitive to public opinion. If enough people write or phone the Toronto office, 20th Century might have a change of heart and cancel the planned showing. To make things easier for the faithful, the names of two film company officials and their phone numbers are supplied.

• • •

Miners, Dosco Talk Contract

The United Mine Workers of Nova Scotia and Dominion Steel and Coal Corp. are again having contract difficulties. A year ago, it was the same story. Then negotiations broke down. The result: a five-month strike.

Although many of the circumstances are similar this year, the feeling is that this time a peaceful settlement will be reached.

The reasons: a more amenable approach by union leadership; no evidence of any desire by the miners to go through another strike.

As in 1947, the contract has expired and has been extended, this year until Feb. 25, 10 days beyond last year's deadline.

But the best sign of all is seen in the decision of the leadership to submit a Dosco offer on wages to the membership through a referendum. Last year, the leadership decided for the miners.

The offer: a flat unconditional raise of 40c a day with other benefits or a 55c boost subject to six conditions covering working agreements. Present basic rate is $7.24 a day.

Originally, the union mentioned $1.10 a day as its objective.

• • •

Profit-sharing Plan For Station CHUM

Station CHUM, Toronto, has introduced what is believed to be the first profit-sharing plan for employees in the radio business.

Announced by Manager Rolly Ford, it came into effect Jan. 5. Employee's share of the first year's profits will be distributed next Christmas.

Amount of profit shared will be governed by two factors: (a) total net billings and (b) an individual's total earnings.

If the 1948 quota in billings is attained, employees will get 20% of their earnings, plus 10% of all net in excess of quota.

If billings are $30,000 below the quota, they'll get 5% of their earnings; $20,000 below, 10%; $10,000 below, 15%.

• • •

Cost-of-living Bonus For Courtaulds

Courtauld's (Canada) at Cornwall, Ont. and the CIO-CCL Textile Workers have agreed on a cost-of-living bonus to be tied directly to the cost-of-living index going up and coming down.

Men will be paid 30c extra a week for each full point the index goes above the base period—July 1. At that time it stood at 134.6 Women, girls and boys will get 15c a point.

At present the index is about 147. This will give men an increase of $3.90 a week effective Feb. 1. The bonus is also to be paid to all salaried staff.

In announcing the bonus, Courtaulds' President S. G. Dixon said: ". . . the urgency of this (bonus) has been increased by recent rapid price rises. The problem . . . could not be ignored . . . 'It is still our policy to hold the present price line on our products and this will be done for as long as possible in spite of the increased costs of production."

• • •

Politics Plague World Union

Of all the points on which the CIO and AFL differ, perhaps none is sharper than the world Federation of Trade Unions: the CIO is in; the AFL is out. The AFL has always maintained the WFTU was a Communist front and wouldn't have anything to do with it from the beginning.

Formed two years ago, the WFTU claims 78 million affiliated workers, of whom about 46 million are in Soviet-dominated countries.

The chief non-Communist membership comes from the CIO and the British Trade Union Congress, but they are heavily outnumbered.

Until recently, the WFTU was a marriage of convenience. The parties to it weren't too happy but there weren't any open breaks. The Communist bloc had to keep the CIO and the TUC in to maintain some semblance that the WFTU was an International labor body and not just another arm of the Kremlin.

Last month the marital harmony began to go sour. The reason: The WFTU executive clamor against the Marshall Plan and American "imperialism." In Paris, the Communist-packed executive bureau, ran head-on into CIO opposition, in the form of James B. Carey, CIO General Secretary and Phillip Murray's staunchest right-hand man.

In a carefully documented speech, Carey put the Communist bloc on the spot by taking a firm stand behind the Marshall Plan. The Federation, he said, must revert to its original purposes: to co-ordinate world labor programs which means support of mutual aid for Europe.

This, and the failure of the Communist-directed French strike, forced the Reds to back up. At the present time, the Communists apparently do not want a showdown with the CIO. If and when it comes, the CIO might pull out. Right now, that is the last thing the Commies want. For if the CIO goes, the British TUC and other non-Communist affiliates might go too. That would just about wreck the WFTU.

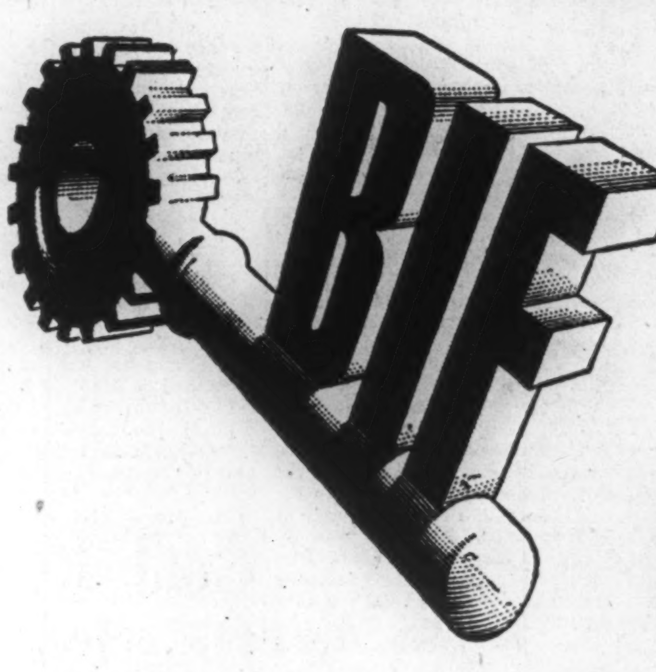
The issue is due to come up at the next WFTU executive meeting this spring. But it is thought unlikely that anything will be done until the next World Congress next September. In the meantime, the CIO is forcing the fight by distributing copies of Carey's speech to all 46 countries represented in the WFTU to combat the barrage of Russian propaganda from the new Comiform.

CUB AIRCRAFT CORP. has received payment from Jules Solterman for 5,000 shares at 65 cents, part of Jan. 15 installment. Balance of installment, and each subsequent installment, have been extended as follows :7,500 shares at 65 cents on 15th days of February, March, April, May; 5,000 shares at 65 cents and 2,500 shares at 75 cents on June 15; 7,500 shares at 75 cents by July 15; 10,000 shares at 75 cents by Aug. 15; 15,000 shares at 75 cents by Sept. 15 and Oct. 15; 15,000 shares at $1 on Nov. 15, Dec. 15 and Jan. 15; and 16,489 shares at $1 on Feb. 15, 1949. Issued capital is 258,511 common shares.

ARMISTICE GOLD MINES is diamond drilling from the 650-ft. level with first hole entering the graphitic fault in south area of claim H. F. 40. The hole is being continued through to southeast corner to investigate carbonate zone which outcrops to surface in this section of the property.

LONDON and BIRMINGHAM

BRITISH INDUSTRIES FAIR



1948

MAY 3-14

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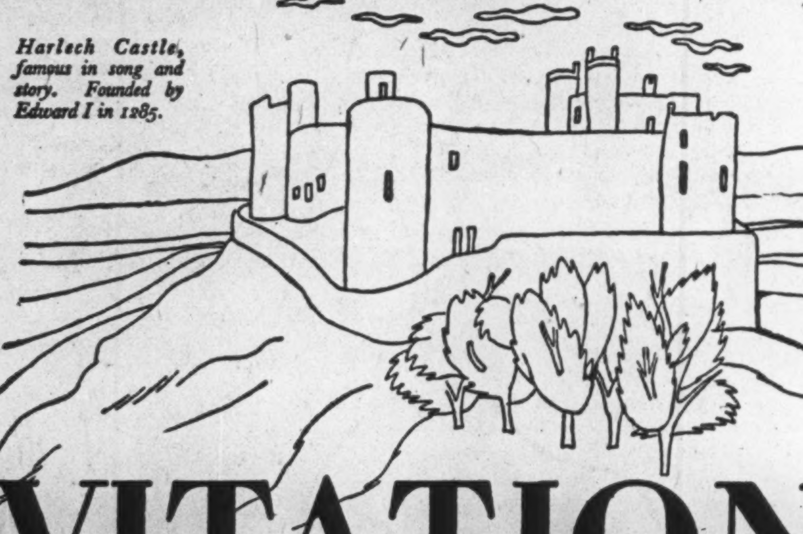
This is your only opportunity in 1948 to review within a few days the achievements of 87 United Kingdom industries.

For information and assistance you should apply to the nearest British Trade Commissioner's Office.



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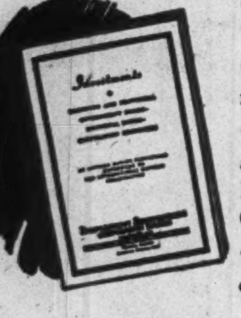
Review of the
NEW ISSUE MARKET IN 1947



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As of Feb. 2nd, 1948, the business will operate under the name of
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Management of two apartment houses was part of our undertaking on Mr. A's behalf. We dealt with tenants, collected rents and paid taxes, had charge of maintenance, etc., and rendered Mr. A. an accounting each month. "I would like to thank you for the real interest you are showing," he wrote us, "and for your good management of the buildings."

A close personal relationship in working with our clients and members of their families, is something we at Crown Trust strive at all times to achieve. We regard it as something that goes hand in hand with our fifty years of estate and trust experience and an important factor in our ability to handle their affairs in the most thoroughly satisfactory manner.

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Crown Trust Company
Executor and Trustee since 1897
MONTREAL TORONTO
WINNIPEG CALGARY BRANTFORD WINDSOR

Why Not Pedagogue M.P.'s?

The Question: Should university teachers be barred from running for Parliament, as recently ordered at McGill? What about school teachers?

Teachers, whether in primary or high schools or in universities, should be as free as any other citizens, to seek election to Parliament, a majority of Canadians questioned by The Financial Post, believe. Many agreed that a teacher could not do justice to two positions; some suggested that if elected, he or she should resign from the school staff; others favored granting leave of absence when necessary.

GEORGE A. ARNOLD, Chairman, Board of Education, Toronto.

In 1944 the Toronto Board of Education was notified by one of its secondary school teachers that he had been nominated as a candidate in the Dominion election of the following year. The Board raised no obstacle to prevent him from contesting the election and in May, 1945, granted him leave of absence for 11 days for the purpose of conducting his campaign. I would not presume to speak for the present Board without consultation. Any opinion I might express concerning university teachers in this regard would be purely personal and could not be regarded as official.

• • •

DR. H. L. BRITTAIN, Public Affairs Consultant, Toronto.

A teacher has the same natural right to run for and serve in public office as physician, lawyer or farmer. He or she should be a more valuable teacher after serving a term in Parliament. We could not afford to have teachers who were something less than citizens.

Should teachers be allowed to sit in Parliament while teaching between sessions? No. This would mean intolerable discipline of staff and class-rooms. If boards were to grant aspiring teacher candidates for Parliament leave of absence during the political campaign, substantial justice would be done to such candidates, while service to students would not be greatly affected. Of course, no professional teacher should be eligible to sit on any elected body which directly or indirectly controls his or her salary or conditions of work.

• • •

DR. WALTER T. BROWN, President, Victoria University, Toronto.

Difficulties facing a university when a member of the staff desires to run for Parliament are threefold. Sessions of Parliament are held in the midst of the college year, and it is impossible for a man to carry on the work of two positions at the same time. Interests developed in the political field are not those of the scholar; hence, time spent on politics neither increases prestige of a professor as a scholar, nor enhances the reputation of a college as a place of learning. Introduction of politics into an educational institution tends to disrupt the unity of the staff and to create illwill in the constituency which identifies the views of college and professor. On the other hand, no professor should be debarred from taking his place in the life of a nation; and if he desires to run for Parliament, the fairest way is to give him leave of absence.

• • •

DR. M. A. CAMERON, Department of Education, University of British Columbia, Vancouver, B.C.

The welfare of Canada requires that every citizen be allowed to take part in public affairs. The danger of having the universities or the schools associated in the public mind with a particular party is nothing like so important as that of making politically sterile, such an enlightened and progressive group as our educationists. The way for teachers and professors to take part in elections and, on occasion, to run for office, should be made as clear as possible.

MADAME PIERRE CASGRAIN, Montreal.

The teaching profession should be as free as any profession to make its contribution to the public life of Canada. Barring university professors and teachers from running for Parliament would be just another nail driven into the coffin of the sacred freedom for which we fought, and for which so many died.

• • •

ROBERT CHISHOLM, Vice-president, Gordon Mackay & Co., Toronto.

I believe no one should be barred from anything.

• • •

MALCOLM COCHRAN, Manager, Hammermill Paper Co., Port Arthur, Ont.

The answer is no, for both university professors and school teachers. This is supposed to be a democratic country, and these people certainly should be allowed to run. However, the question immediately arises as to their ability to carry on their duties and also to participate in election campaigns; and, if elected, to devote sufficient time to Parliament and their teaching. Failure to carry out their teaching duties might result in their dismissal, but this is a problem they should be allowed to try to solve, and a risk they must take, the same as any other individual.

• • •

G. FAY DAVIES, General Manager, National Life Assurance Co., Toronto.

All citizens who are entitled to vote should be eligible to act as parliamentary representatives. One of the weaknesses of our democratic system is that parliamentary representation is often limited to a small group who can spare the time required. This is a poor basis for selection, and has an unfortunate tendency to develop "professional" representation. The changing economic and social conditions of today make it extremely desirable that all occupations, levels of income and standards of living, should be represented. Parliament might adjust its sittings to accommodate representatives with other basic occupations, and employers generally should co-operate by giving leave of absence for such purposes. We cannot improve parliamentary representation by excluding university professors or any other group; and any attempt to restrict the class of people we can draw on to represent us, must be classed as a backward step.

• • •

HON. IVA C. FALLIS, Member of Canadian Senate, Ottawa.

My opinion is that they should not be barred from running, but if elected, they should immediately resign from their position as teachers. As an ex-teacher, I know that if one is conscientious about it, teaching is a full-time job. The parliamentary session at Ottawa lasts approximately six months. I cannot imagine how anyone — no matter how brilliant — could possibly fill both positions satisfactorily.

• • •

SYDNEY HERMANT, Vice-president, Imperial Optical Co., Toronto.

In my opinion, neither university teachers nor school teachers should be barred from running for Parliament. Sound government depends upon the active interest and participation of all citizens in all walks of life. To bar those engaged in academic work would be to deprive them of their rights as citizens and would be a reflection upon the integrity of the teaching profession. Our system of government depends upon the sound judgment, good sense and goodwill of the majority of our citizens. Teachers and former teachers have made valuable contributions to Canada through service as elected representatives to government at every level. Teachers should not be in the position of having to tell their students to "do as I say and not as I do" in molding character and teaching the responsibilities and privileges of citizenship. If elected to Parliament, they would necessarily have to have leave of absence from their teaching duties. Some would prefer that those from academic life in certain government services be responsible to the electorate, rather than exercising bureaucratic control over it.

• • •

BALMER NEILLY, President, McIntyre Porcupine Mines, Toronto.

How could a university professor or school teacher discharge his duties in that capacity and at the same time look after the interests of his constituents and, incidentally, spend six or seven months per year in Ottawa? Election necessitates leave of absence from school or university. In that case his academic responsibility is made secondary, and his retained right to staff membership is, in essence, a mere haven to which he may retreat if and when political adversity overtakes him. Political ambition involves a personal hazard, which cannot prudently be underwritten by school or university.

• • •

D. B. ROGERS, Editor, Leader-Post, Regina, Sask.

I doubt if any general rule can be applied. Instead of an arbitrary plan, the guiding principle should be accessibility on a basis of granting leave of absence to contest an election when practicable, with resignation from the faculty a condition of election.

• • •

DR. R. C. WALLACE, Queen's University, Kingston, Ont.

The question is a particularly difficult and thorny one. On the one hand, teachers have the rights of citizens; on the other, the duties of members of Parliament are now so exacting that they cannot do justice at the same time to their own work as teachers. Moreover, they may involve the institution which they serve in difficulties which reflect not only on themselves, but on their colleagues as well. There cannot be any universal answer to the question. It will depend on the circumstances of the individual case.

EQUITABLE LIFE INSURANCE CO. OF CANADA, reports $60.6 millions of life insurance in force at the end of 1947, a gain of over $4 millions. New insurance written in 1947 was over $8.1 millions, a gain of 5% over 1946. Assets rose $936,835 to $18.7 millions. The company favors National Housing Act mortgages, representing 39% of the total assets. Other mortgages were 28% and bonds 22%.

Policy and annuity reserves to guarantee the payment of all obligations as they come due were increased by $551,934 to $15 millions. All of the company's business except certain paid-up policies has now been placed on a 3% valuation.

Death claims paid totalled $357,708 and payments to living policyholders and beneficiaries took $595,081. Book value of both stocks and bonds held is well below estimated market value. The company felt some reversal in interest trends would occur and during the year decreased its bond holdings somewhat. A $138,378 profit on sale of securities was used to write down other securities held. The company has no bonds in default. Comparative figures follow.

	1947	1946
New insurance	8,115,053	7,714,498
Insurance in force	60,671,183	56,235,643
Assets	$18,674,520	$17,737,685
Policy, annuity res.	15,204,068	14,652,134
Inv. & conting. res.	700,000	650,000
Surplus	1,068,827	978,579
Total income	2,685,016	2,659,183
Total disbursements	1,667,252	1,560,053
Paymts. to pol'hldrs.	952,789	949,218
Int. earned	4.79%	4.88%

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These bonds having been sold, this advertisement appears as a matter of record only.

Additional Issue

$200,000

Silverwood Dairies, Limited

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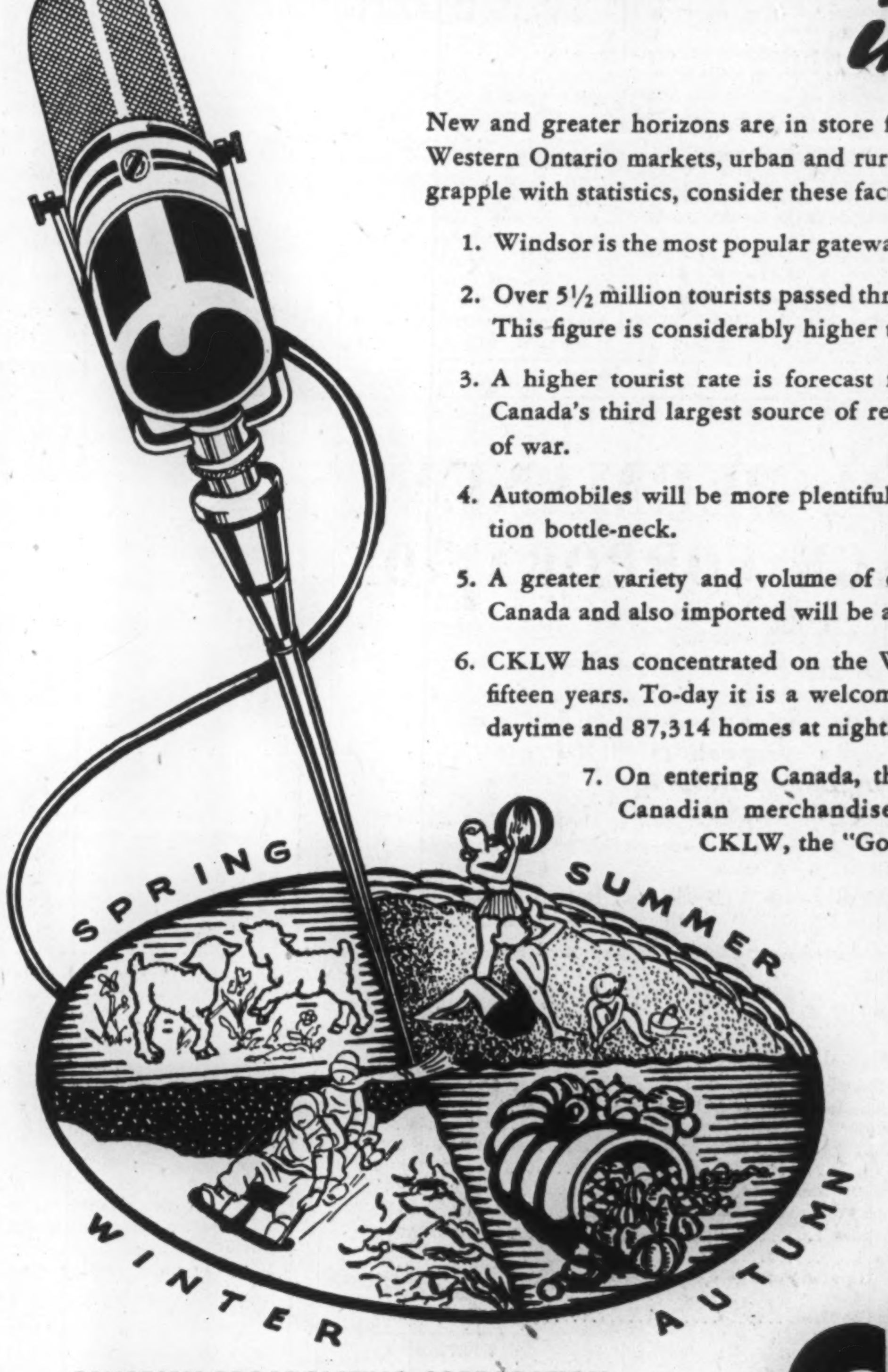
Dated January 2nd, 1948 — Due January 2nd, 1955-58

Trustee: The Canada Trust Company

HARRISON & COMPANY Limited   R. A. DALY CO. Limited

Greater Productivity for
YOUR ADVERTISING DOLLAR
in 1948



New and greater horizons are in store for your Advertising Dollar in the Western Ontario markets, urban and rural, in 1948. If you're in a mood to grapple with statistics, consider these facts:

1. Windsor is the most popular gateway to Canada from the United States.
2. Over 5½ million tourists passed through the Port of Windsor in 1947. This figure is considerably higher than the previous year.
3. A higher tourist rate is forecast for '48 with the tourist industry, Canada's third largest source of revenue, in high gear after six years of war.
4. Automobiles will be more plentiful, thereby reducing the transportation bottle-neck.
5. A greater variety and volume of consumer goods manufactured in Canada and also imported will be available.
6. CKLW has concentrated on the Western Ontario market for over fifteen years. To-day it is a welcome visitor in 95,710 homes in the daytime and 87,314 homes at night.
7. On entering Canada, the tourist will learn much about Canadian merchandise and vacation resorts through CKLW, the "Good Neighbor Station."

After considering these points, you'll agree there's a brighter future in store for your Advertising Dollar if you use it through CKLW in '48.

J. E. CAMPEAU
MANAGING DIRECTOR

CANADIAN BROADCASTING CORPORATION
MUTUAL BROADCASTING SYSTEM
MEMBER OF CANADIAN ASSOCIATION OF BROADCASTERS

CKLW
"THE GOOD NEIGHBOR STATION"
WINDSOR ONTARIO

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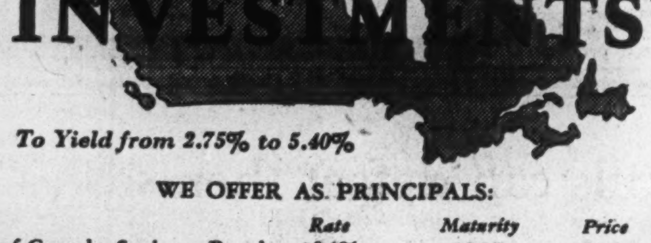

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Ontario, Province of	2¾%	1969	97½	2.91%
New Brunswick, Province of	2¾%	1967	94¼	3.15%
British Columbia Electric Co.	3¼%	1967	97½	3.43%
Power Corporation of Canada Ltd.	3½%	1967	98½	3.61%
Brompton Pulp & Paper Co.	3½%	1966	97½	3.69%
East Kootenay Power Co.	3¾%	1967	96½	4.01%
Dominion Dairies Ltd.	4%	1966	99½	4.04%
English Electric Co.	4%	1967	98½	4.11%
Northern Quebec Power Co. Ltd.	4½%	1967	100	4.50%
James A. Ogilvy's Limited	4½%	1967	99½	4.54%
Verney Mills of Canada Ltd.	4½%	Preferred	Market	4.89%
Power Corporation of Canada Ltd.	6%	Part. Preferred	Market	5.40%

Prices quoted on Bonds are "and accrued interest"

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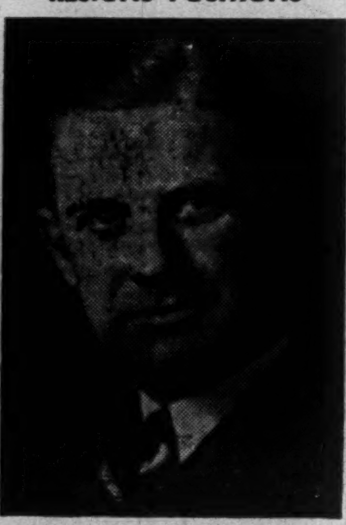
RESIGNS POSITIONS



MR. WILLIAM H. WALLACE, having disposed of his interests in the Companies concerned, has announced his resignation as Chairman of the Board, Combined Enterprises Ltd.; President of Stuart Brothers Company Limited and Snap Company Limited; and Vice-President of Conant Company Limited. *

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CANADA

On Brokers' 'Most Popular' Stock List:

Consolidated Mining and Smelting

"What stocks would you choose for security and capital appreciation over the next three years?"

That was the question which The Financial Post put to a group of leading Canadian brokerage and investment firms. In recent weeks, The Post has published the lists they selected.

Starting this issue, The Post analyzes the ten stocks which received the highest number of votes. Analysis does not, of course, mean that The Financial Post recommends the purchase or sale of any of these securities, now or at some time in the future.

By JAMES H. JOYCE

Why did the common stock of Consolidated Mining & Smelting Co. of Canada turn out to be the "most popular" stock to hold over the next three years in The Financial Post's recent poll of opinion in the investment community?

The reasons would seem to be as follows:

(1) It is a basic industry.

(2) It has very large ore reserves.

(3) There is a worldwide demand for its products which appears good for three years at least.

(4) Prices of its products are up substantially and seem likely to hold up over this period.

(5) Earnings are expected to show, and dividends were, at all-time high for 1947.

(6) Management is considered good.

(7) The company is strong financially.

(8) It is a very low-cost producer.

But on the other hand, Consolidated Smelters common has already reflected these factors to some extent in its price. At its current level of about $99½ share, it is selling about its high level of early 1937. Its all-time high was $115 a share in 1929 ($575 an old share). It now yields about 8.05% on the basis of the $8 a share dividend paid out of 1947 earnings.

A record of price range of the stock and an abbreviated income account showing earnings and dividends per share for the 11 years since 1936 are shown in the accompanying table.

Increase in Sales

Gross sales for 1946 of $72.9 millions are more than double those for 1939 and 1.8 times their prewar high of $40.5 millions set in 1937.

The net profit for 1946 of $23.3 millions is also at an all-time high — 2½ times its 1939 level of $9.3 millions and nearly 1.6 times its 1937 level of $14.7 millions. The reduction in the percentage of net profit to sales from 36.3% for 1937 to 32% for 1946 is no doubt due in part to rising costs and in part to the extensive program of development work necessitated because of the deferment of development in favor of production during the war years.

The net profit for the 11 years shown has totalled $124.4 millions which averages $3.48 a common share a year. The company has paid a relatively good percentage of this to shareholders in dividends, a factor which adds appeal to the shares in the market. Dividends for the 11 years total $94.9 millions or 76.3% of the net profit and average $2.64 a share a year.

On the basis of the 11-year average, Smelters' common at $99½ is high priced. It is selling at 28.6 times its average earnings and its yield would average only 2.65%. But investors are looking to the future more than at the past record in setting its current price.

While the annual report for 1947 has not been published yet, it is confidently expected that Smelters' 1947 net profit will show a marked gain. The company surpassed most expectations when it paid a dividend of $4.75 a share on Jan. 15, 1948, to make the total payment on account of 1947 earnings $8 a share. If this is equal to the 11-year average of 76% of earnings, it would indicate a net profit of about $10.50 a share for 1947 or well above the 1946 record of $7.12 a share which itself was 58% higher than the 1937 profit of $4.50. Some analysts are estimating as high as $12 to $14 a share.

Principal factor in the better results is thought to be the increase in average prices obtained in 1947 in the case of lead and zinc, the company's two major products. In the United States, the N. Y. price of lead is at 15c as against 12.55c a year earlier and is nearly double the average price for any year in this century. The U. S. price of zinc has just gone up from 1c-1½ to a 12c basis for prime western. Canadian domestic quotations, fixed under the W.P.T.B. "ceiling" regulations at the 1939 levels of 5c for lead and 5.75c for electrolytic zinc, Toronto and Montreal, were allowed to go up in 1947 to the equivalent of the U. S. prices. Silver, of which Smelters is the largest Canadian producer, fluctuated during the year going to a low of 60c in June but ending the year at 74⅞c as against 83¾c a year earlier.

Business Prospects Favorable

The higher results were obtained despite rising costs and despite the fact that, judging from the D.B.S. production reports for Canada, the company's production of lead, zinc and silver may be about 10% lower than in 1946. Yearly production of the chief products for the past years is shown in the accompanying table. The demand for fertilizer and chemicals, sales of which have been increasing in importance, are expected to top the 1946 figure.

For the next year or so prospects for the company's business look very favorable and the demand and supply position in both metals and fertilizers indicates a continuance of good business at attractive selling prices, it is authoritatively stated.

As Smelters' business depends very largely on export markets, the eventual nature of the Marshall Plan will be important to it. Both metals and fertilizer are understood to rank very high in the commodities with which the Marshall Plan will be concerned. About 70% of the company's metal output is sold in export markets, mostly in the United Kingdom and the United States. About 90% of its fertilizer output is sold abroad to a large number of countries of which the main ones are the United States, Hawaii, Japan, India, France, The Netherlands, Africa, the United Kingdom and Australia.

Although the Geneva Trade Agreements will have little or no immediate effect on the company's exports, the general long-term effect is likely to be beneficial. The duties on both lead and zinc into the United States have, for the past few years, been lower than prewar, but were subject to upward revision at the termination of the national emergency. The Trade Agreement, when passed, will fix the duty on zinc at its present low rate (⅞c a lb. on slab ¾c a lb. on ore). Although negotiations with respect to the duty on lead are not yet complete, the company feels that it is reasonable to hope that it will be fixed at the present rate (1 1/16c on pig and ¾c on ore). Duties on lead and zinc into the United Kingdom remain the same. Substantial reductions have been granted by some of the other participating countries but, due to present market conditions, the company exports little of its base metals to these countries. However, they may assume more importance in the future.

The Geneva Trade Agreements will have very little effect on Smelters' fertilizer business generally, because fertilizer is now admitted duty-free into the United States, Hawaii and most of the other important markets.

What are the prospects for continued high prices for lead and zinc? Authorities in England and in the United States see no imminent break in base metal prices. There are not the new lead and zinc mines being opened in the world today that would be required for any major expansion of output. As long as economic activity continues at a high level, there are good reasons for thinking that highly profitable prices for base metals will continue.

In addition to the Marshall Plan, the U. S. desire to purchase for stockpiling suggest a maintenance of demand. Even with a recession in business one U. S. investment advisory service suggests possible "floors" of 11c-12c for lead and 8c-8½c for zinc. Handy & Harmon expect the present relatively stable market conditions for silver to continue for 1948.

From an operating standpoint, the company's position appears sound. Its Sullivan mine in British Columbia produces more lead and zinc than any deposit in the world. Ore reserves were increased 3,300,000 tons in 1946 and President R. E. Stavert stated that reserves were greater than in 1940 when Sir Edward Beatty said, "The estimated positive and probable ore is sufficient for well over 20 years' operation at the present rate of production."

Any drop in output which may be shown for 1947 will be due likely to the heavy amount of development and restoration work necessitated as a result of its deferment during war years. A proper balance is expected to be reached some time in 1948. Also a favorable factor, particularly for cutting costs, will be the completion, expected in the summer of 1948, of the $3-million program to improve crushing and concentrating facilities in the Sullivan Mine.

Smelters' Financial Position

From a financial standpoint also, Smelters' position appears strong. Working capital amounted to $42.8 millions at Dec. 31, 1946, —over four times its Dec. 31, 1939 level of $10.5 millions and nearly 3½ times its Dec. 31, 1939, level of $12.3 millions. It was equivalent to over $13 a common share at the end of 1946. This strong position would indicate that the company is in a position to continue paying a large proportion of current earnings in dividends.

Property is apparently carried at a conservative figure in relation to its potential value. Mines, mineral claims and mining investments are shown at a cost of $8.7 millions less a reserve of $7.3 millions, or a net of $1.4 millions at the end of 1946. ($2.5 millions at the end of 1936.) Land, buildings and equipment are shown at $39.1 millions less a reserve of $20.4 millions or a net of $18.6 millions ($14.3 millions).

Capitalization consists entirely of common stock of which there are 3,276,329 shares, par $5, outstanding. The stock was changed from $25 par by a five-one split authorized April 24, 1936. The Canadian Pacific Railway Co. owned 1,682,500 shares at Dec. 31, 1946—51.5% of the total outstanding and so has control of the company's policies.

Management of the company is generally considered sound and progressive by both financial and mining circles. Chief operating executives are R. E. Stavert, the president in Montreal and R. W. Diamond, vice-president and general manager in Trail, B.C. Other directors are: D. C. Coleman, C.M.G.; Hon. C. A. Dunning, P.C., Henry Joseph, R. H. McMaster, W. M. Neal, C.B.E., W. S. Rugh, G. W. Spinney, C.M.G., Montreal; A. L. Bishop, John W. Hobbs, Thayer Lindsley, Toronto; R. S. McLaughlin, Oshawa, Ont.; G. Farrell, Vancouver, B.C.

The company reports 7,799 employees on its payrolls at the end of 1946. Labor relations are apparently good. The company has collective bargaining agreements with the International Union of Mine Mill and Smelter Workers (C.I.O.) at Trail and Kimberley.

The company operates as mining, smelting, refining, exploration and holding company, conducting one of the principal mining and metallurgical enterprises in Canada. The company's Sullivan mine is one of the world's largest producers of lead, zinc, and silver and is Canada's largest silver producer. The principal revenue has been derived from these metals. Other metals and metal products include gold, cadmium, bismuth, antimonial lead, mercury and tin.

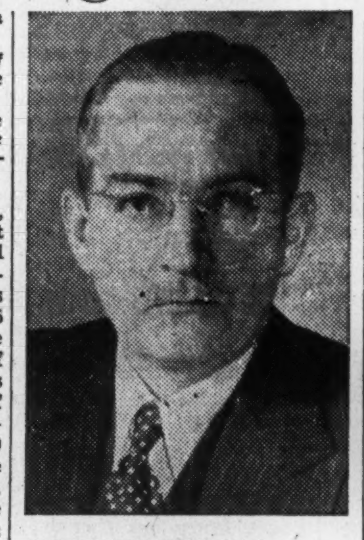
In 1931, commercial production of chemicals and of chemical fertilizers was commenced and the following are now produced: sulphuric acid, oleum, ammonium sulphate, ammonium phosphates, ammonia, sodium fluosilicate, mono calcium phosphate, superphosphates and ammonium nitrate.

Operations are centred around plants at Tadanac, adjoining Trail, B.C., for treating company ores as well as ores of other producers in the southeastern section of British Columbia.

Research facilities are maintained at the concentration plant at Kimberley, the chemical plant at Warfield but are centred at the main research laboratories at Tadanac.

The company maintains exploration staffs, which are continually in search of properties of merit, throughout Canada.

Sales of the company's products are made through district sales offices and foreign sales agencies.

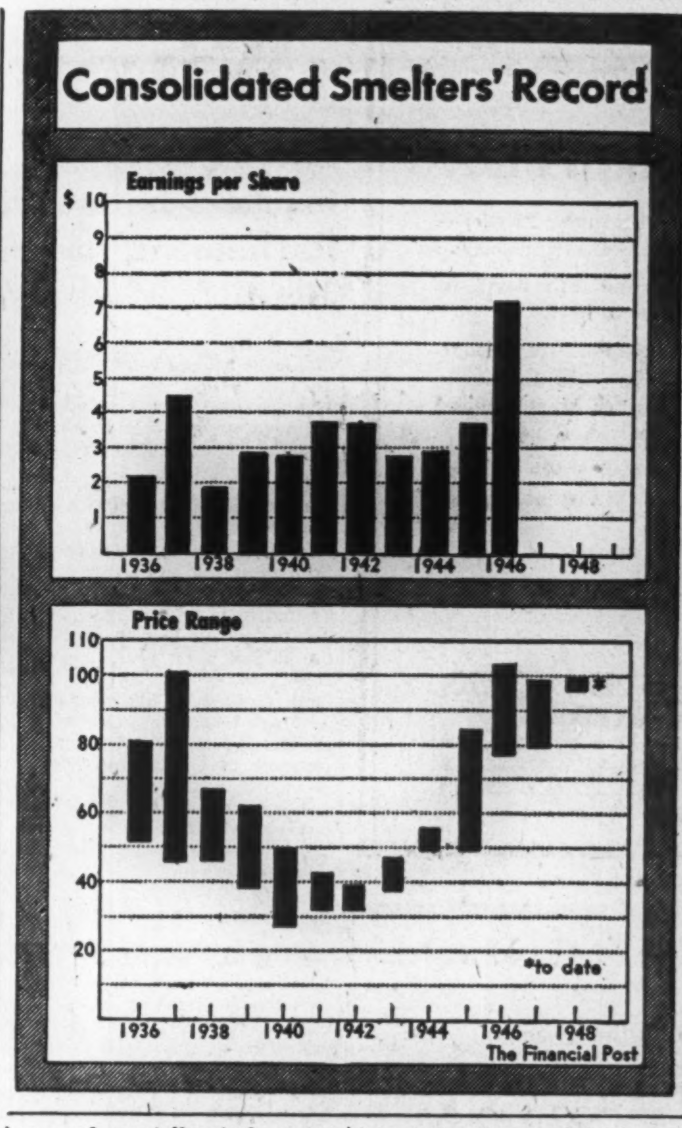


R. EWART STAVERT

president of Consolidated Smelters, joined the company's executive in 1934 as assistant to the president. As Smelters' senior officer in the east (Montreal) he handles the company's dealings with major customers, financial interests, and Canadian and foreign governments. Science graduate of McGill in 1914, he was wounded, mentioned in despatches in World War 1.

R. W. DIAMOND

vice-president and general manager of Consolidated Smelters, and a director, resides at Trail, where he is in charge of the company's operations. University of Toronto graduate, he joined Consolidated Smelters in 1917. In 1934, he was awarded the McCharles Medal from U. of T. for his work in the differential flotation of Sullivan ore, and in 1935 was the Engineering Institute of Canada's Leonard Medallist.



Consolidated Mining & Smelting Co. of Canada

	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936
	(Millions of Dollars)											
Gross Sales	...	72.9	51.1	42.9	56.7	54.7	51.0	38.3	35.5	28.0	40.5	28.4
Operating Inc.	...	37.3	21.1	13.8	21.7	24.9	20.5	16.1	13.6	8.7	21.0	11.6
Inc. from Invest.	...	1.7	1.6	1.5	0.2	0.2	1.7	1.7	1.7	1.5	1.1	1.0
Deprec.	...	3.4	2.5	4.7	6.9	4.9	2.5	2.4	2.4	1.6	2.4	2.3
Depletion	...	0.2	...	...	...	...	...	1.2	0.9	0.9	0.9	0.8
Deprec. of Invest.	...	...	1.0	0.9	1.2	1.3	1.3	...	...	...	...	...
Net Profit	...	23.3	11.5	9.8	9.1	12.2	12.2	9.1	9.3	6.2	14.7	7.0
Common Stock ($):												
Earned†	...	...	3.52	...	...	3.72	...	...	...	...	...	...
Earned§	...	7.12	3.68	2.99	2.78	3.79	3.72	2.77	2.85	1.90	4.50	2.13
Paid*	8.00	4.25	2.50	2.50	2.50	2.50	2.50	2.25	2.00	2.50	3.50	2.00
Common Price Range ($):												
High	98¼	103	84	55⅛	46⅛	39	41⅜	49	61¼	66⅜	100½	81
Low	78½	76⅞	49	38⅛	37	32	31⅛	26½	37½	45⅜	45	51

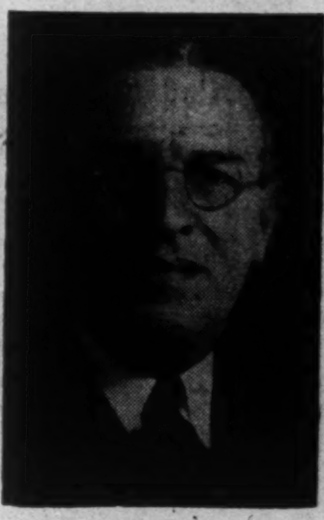
†Excluding (§Including) refundable portion of excess profits tax.
*Dividends paid Jan. 15 and July 15; amount includes July plus Jan. of following year to agree with the company's income account.
1948 range has been: High, $99¼; Low, $95½.

Production of Principal Products

Year	Lead Tons	Zinc Tons	Gold Oz.	Silver Oz.	Mercury 76-lb. flasks	Cadmium Tons	Sulphuric Acid Tons	Sulphur & Fertilizer Tons
1894-1935	2,062,890	1,130,128	2,447,448	121,545,459	...	1,601	400,672	317,298
1936	182,541	125,693	70,337	8,615,973	...	263	125,578	100,955
1937	206,579	142,650	55,034	9,846,964	...	218	132,194	115,586
1938	201,574	149,071	70,113	9,817,102	...	255	134,469	170,108
1939	191,439	139,520	89,758	9,877,487	...	400	130,445	178,399
1940	220,602	146,259	98,516	9,894,169	2,019	389	148,478	188,478
1941	229,203	168,541	96,578	10,887,995	7,054	532	189,082	176,379
1942	245,800	176,443	83,029	9,482,283	13,621	479	193,341	205,315
1943	224,845	154,555	32,463	8,784,645	22,133	299	269,394	283,572
1944	144,267	122,518	9,201	5,152,950	8,052	182	331,718	327,232
1945	163,266	135,887	5,890	5,126,472	...	255	376,459	369,666
1946	165,849	135,274	18,063	6,008,092	...	316	375,595	484,720
Total	4,238,855	2,726,539	3,076,430	215,039,591	52,879	5,189	2,808,425	2,917,708

BASE METALS MINING CORP. produced 434.16 tons of zinc concentrates averaging 61.28% and 82.65 tons of lead concentrates averaging 80.91% in December. Ten cars of zinc concentrates were shipped to the Trail smelter and two cars of lead concentrates to East Helena plant of American Smelting & Refining Co. Returns resulted in substantial operating profits.

Canada Life Director



J. D. WOODS, O.B.E.

Mr. Woods whose election as a Director of The Canada Life Assurance Company was announced at the Company's Annual Meeting. Mr. Woods is President of York Knitting Mills, Limited, and of J. D. Woods and Gordon, Limited; Vice-President of Gordon MacKay Stores Limited; and a Director of the Bank of Toronto. *

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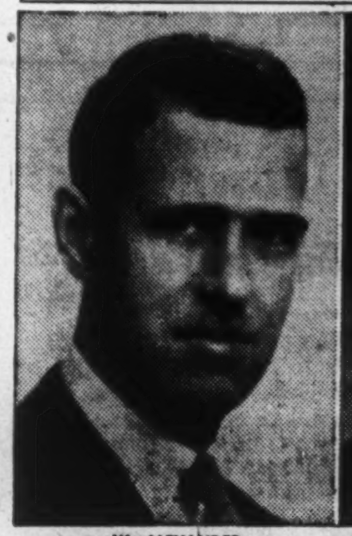
HEYSON RED LAKE GOLD MINES advises that A. E. Perron has resigned as president and is succeeded by D. J. M. Crichton, president of South Shore Gold Mines.

MERCURY MILLS APPOINTMENTS



W. ALEXANDER

J. W. NOBLE

Mercury Mills Limited announces the appointment of Mr. W. Alexander as Secretary-Treasurer and Comptroller of the Company. Mr. Alexander was formerly Vice-President and Secretary-Treasurer of Small Electric Motors Limited, Leaside, Toronto. Also Mr. J. W. Noble, formerly Office Manager, has been appointed Assistant-Secretary-Treasurer of the Company. *

CANADA PERMANENT MORTGAGE CORPORATION
(ESTABLISHED 1855)

Reports Successful Year

Total Assets, Deposits and Canadian Debentures issued Reach New Highs—Depositors Well Protected by Liquid Holdings

IN the year ended December 31, 1947, assets of Canada Permanent reached the highest peak in the Corporation's history, $77,779,688, an increase of $4,350,630.

Deposits rose from $29,353,412 to $33,425,003, and Debentures payable in Canada from $29,357,088 to $29,911,844—both setting new records.

Mortgage investments increased over $2,400,000, and Real Estate held for sale was reduced to $8,492.

Profits showed a moderate increase, being $766,331 as compared with $735,344 the previous year.

Assets as shown in the Annual Statement for 1947 are:

Mortgages and Agreements For Sale on Real Estate	$ 41,826,003.30
Office Premises:—Toronto, Winnipeg, Vancouver, Saint John, Edmonton, Regina, Halifax, Woodstock (Ont.), Brantford and Hamilton	2,993,300.00
Real Estate held For Sale	8,492.46
Loans on Bonds and Stocks	76,167.96
Bonds of or guaranteed by the Dominion of Canada	20,224,532.95
Bonds of or guaranteed by the Provinces of Canada	1,779,636.54
Bonds of Canadian Municipalities	586,257.60
Other Bonds and Debentures	1,462,831.93
Stocks, including $970,000 (par value) of The Canada Permanent Trust Company	8,874,690.55
Cash in Chartered Banks and on hand	4,947,774.80
	$ 77,779,688.09

Copy of Report and Proceedings of Annual Meeting on Request.

Head Office: CANADA PERMANENT BUILDING, Toronto

BRANCH OFFICES

Toronto, Hamilton, Woodstock, Brantford and Port Hope, Ont.; Winnipeg, Man.; Edmonton, Alta.; Regina, Sask.; Vancouver, B.C.; Saint John, N.B.; Halifax, N.S.; and Montreal, Que.

MORTGAGE MANAGEMENT

Many holders of Western Mortgages have decreased their holdings to such an extent that adequate servicing has become an economic problem.

If this is YOUR situation—why not make use of our facilities for completely servicing your Western Mortgages and Real Estate? With an inspection service covering the West, we are fully equipped to make collections and inspections, and carry out all duties in connection with your holdings.

You can reduce your management costs by using our facilities.

MORTGAGE DEPARTMENT
Mortgage Investment Management
City and Farm Properties
OSLER, HAMMOND & NANTON Limited
WINNIPEG

Old Wills can defeat themselves

TIME changes many things—family circles, investment values, and tax laws affecting estates.

That's why so many old Wills, unrevised, defeat themselves by failing to protect the interests of those whom they were drawn to safeguard.

It is sound practice to review your Will every few years. We welcome the opportunity — entirely without obligation of course — to offer suggestions in the planning of an estate program to meet your present-day needs.

The CANADA TRUST COMPANY

Branches in 6 Provinces
London, Toronto, Hamilton, Montreal, St. Thomas, Chatham
Windsor, Winnipeg, Regina, Edmonton, Vancouver, Victoria

Strength in Direction for Fifty Years

At the fiftieth annual meeting of National Trust Company, Limited, Mr. W. M. O'Connor, President, said in part:

The highlight in the 1947 statement is the transfer of $1,000,000 to our Reserve Fund. Half of this amount was transferred from Profit and Loss account and the other half from Contingent Reserve. The Reserve Fund is now $3,000,000, the amount at which it stood prior to the transfer of $1,250,000 to Contingent Reserve in 1937.

On March 17, 1947, we officially opened our office in Vancouver. I am happy to report that, thanks to the energetic efforts of Mr. Pearson, Assistant General Manager, and his staff at Vancouver, a gratifying volume of business has already been obtained.

As this is the fiftieth annual meeting of the Company, our Golden Anniversary, I am thinking of the shareholders' meeting today as a sort of family gathering, and under the circumstances my remarks are going to be strictly domestic and limited to some aspects of the business and the historical side of the Company. I therefore propose to pull down the Iron Curtain on Inflation, European Recovery, International Bank, Private Enterprise, the Marshall Plan, and give them all a well-deserved holiday.

COMPANY FORMED IN 1898

On August 22nd, 1898, the Company opened for business in an office which occupied a small space in the premises of the Central Canada Loan and Savings Company, King and Victoria Streets. Mr. E. R. Wood, Managing-Director of Central Canada, was appointed Managing-Director of National Trust Company.

I think that the rapid progress in the development of the business of the Company, which started almost immediately after its inception, was largely attributable to the original directorate which consisted of men outstanding in the business and financial life of the community. Many of the connections which they made for the Company with the business and financial world have been retained right through our fifty years of operation. Some of the most important transfer agencies and bond issue trusteeships of which we have charge today are the direct result of the connections made for the Company by the Directors shortly after we started in business. I feel that we have been singularly fortunate in having at all times through the life of the Company great strength in direction. This, as much as any single factor, is to my mind responsible for the great success we have enjoyed.

TRADITION OF PUBLIC SERVICE

The tradition of public service has also been characteristic of the Directors of this Company.

In 1911, Mr. W. T. White, now the Right Honourable Sir Thomas White, resigned as General Manager of the Company to become Finance Minister of Canada; in 1915 Mr. J. W. Flavelle, afterwards Sir Joseph Flavelle, Bart., became Chairman of the Imperial Munitions Board; and Mr. A. E. Kemp, later Sir Edward Kemp, became Canada's Minister of Militia.

In the second World War the Chairman of our Board, the Honourable Leighton McCarthy, became Canada's Ambassador to the United States, and the Right Honourable Vincent Massey served throughout the war as Canada's High Commissioner to Great Britain. Mr. W. M. Birks was Chairman of the Canadian United Allied Relief Fund; Mr. J. P. Bickell became a close associate of Lord Beaverbrook in the latter's great achievement in the field of munition production; and Mr. E. P. Taylor held the key position of head of the British Purchasing Commission in Washington. Mr. Terence Sheard, one of our senior officers, was head of the Supply Division of the Air Force.

BOARD OF DIRECTORS

Chairman of the Board

THE HONOURABLE LEIGHTON McCARTHY, P.C., K.C.

President

W. M. O'CONNOR

Vice-Presidents

THE RIGHT HONOURABLE SIR THOMAS WHITE, G.C.M.G., P.C.
G. A. MORROW A. N. MITCHELL H. V. LAUGHTON, K.C.

Directors

E. G. BAKER J. P. BICKELL R. A. BRYCE H. D. BURNS R. Y. EATON
SIR ELLSWORTH FLAVELLE, BART. H. P. FRID W. J. HASTIE
C. BRUCE HILL, M.C. THE HONOURABLE F. J. HUGHES, K.C., LL.D.
R. A. LAIDLAW S. H. LOGAN D'ARCY MARTIN, K.C.
THE RIGHT HONOURABLE VINCENT MASSEY, P.C., C.H. COLIN OSBORNE
FRANK A. SHERMAN E. P. TAYLOR, C.M.G. FRANK P. WOOD

ADVISORY BOARDS

MONTREAL

W. M. BIRKS, C.B.E., LL.D. EDWARD FITZGERALD WILLIAM LEGGAT, M.C.
A. STEWART McNICHOLS WALTER MOLSON CARL RIORDON
W. WYNNE ROBINSON

WINNIPEG

ALLAN S. BOND W. A. JOHNSTON, K.C. J. ELMER WOODS

EDMONTON

R. J. DINNING H. E. PEARSON S. BRUCE SMITH, K.C.

GROWTH OF ASSETS IS IMPRESSIVE

The record of the Company's growth is impressive. In 1908 the assets of the estates, trusts and agencies which we were handling at that time amounted to $8,000,000; in 1918 these increased to $69,000,000; in 1928 to $178,000,000; in 1938 to $254,000,000; and at the beginning of 1948 they amounted to $312,000,000. This net increase in assets over the years, however, tells only part of the story. For example, last year we showed an increase in assets of $7,000,000 over the previous year. However, the real fact is that in 1947 the new estates, trust and agency business entrusted to us for administration was over $31,000,000. The difference between these two figures represents payments of $24,000,000 made during the year to or on behalf of beneficiaries and clients.

The most important element in this steady, substantial and healthy growth of the business of the Company is the confidence of the public in the security, integrity and efficiency of the Company, its directorate, management and staff.

The Company has always taken pride in the quality and devotion of the members of its staff, and such pride was never better justified than it is today. The Company is proud of them and I know they are proud of the Company. As a group they have in full measure that team spirit which is the mark of a successful organization large or small; as individuals they have more than earned our thanks and fully deserve our confidence, as they have earned and deserve the confidence of the public.

It is the spirit, ability and experience of our whole organization that give us the best assurance of its future. At fifty years of age the Company has reached maturity, but we believe it has lost none of the enthusiasm and energy so characteristic of its youth. Stronger in every way than ever before it can look forward with confidence to a future even more impressive than its record over the past fifty years.

In his address at the annual meeting of National Trust Company, Limited, Mr. H. V. Laughton, K.C., Vice-President and General Manager, said in part:

The President, in his usual lucid and very interesting manner, has given you a brief picture of the history of the fifty years of the Company's existence, and what he has said, coupled with the figures in the balance sheet which speak for themselves, show in a very striking way the growth of the business of the Company.

The balance sheet presented to the shareholders shows the net results of the business for 1947 and the present position of the Company. In addition the shareholders may rest assured that the practice adopted in the early days of the Company and adhered to without interruption, namely, of valuing all assets on a very conservative basis and providing ample reserves for any contingency that can be foreseen, has been followed once more in the preparation of the statement for 1947.

NEW INCOME TAX LEGISLATION

In July of last year the Minister of Finance introduced in the House of Commons an act respecting income taxes which when adopted would replace the Income War Tax Act and would be retroactive to January 1, 1948. The Minister stated it was not the intention to press the bill for enactment at the session and it was hoped that the various business and industrial organizations throughout the country who were well equipped from a technical point of view to render a useful service to the country through an exhaustive analysis of this legislation would give careful study to the bill, and the Minister gave an assurance that any suggestions for improvement would be welcome. Following this, many organizations, such as the Boards of Trade, Chambers of Commerce, Chartered Accountants Associations and others, including the Trust Companies Associations, have appointed committees, and I understand that representations will be made to the Minister. The Minister is to be strongly commended for giving this opportunity for study and it is to be hoped that these suggestions, which will have been made by those well qualified to judge the effect of taxing provisions on the country as a whole, will receive the most careful consideration. I also once more strongly urge that at the present session the Dominion Government amend the Succession Duty Act to give complete exemption to gifts made for charitable purposes in Canada.

CO-OPERATION WITH LAWYERS

Once more I should like to refer to and express great satisfaction at the cordial relations that have at all times existed between the Company and the members of the legal profession. Lawyers generally feel that they are made welcome when they come to us for help or information, regardless of whether or not the Company will receive any business. We appreciate and value very much this general good-will and it is our intention to do everything possible to preserve it.

It is scarcely necessary for me to say that I agree with everything Mr. O'Connor has said regarding the staff of the Company, and I wish to associate myself with him in his message to the staff.

I would like to express appreciation particularly to the group to which we often refer as "key" men or women. These are members of the staff who have been with us for a number of years and their work in training a constantly changing junior staff and in seeing that the important services of the Company have been maintained at a very high level cannot be too greatly praised.

National Trust Company, Limited

TORONTO • MONTREAL • HAMILTON • WINNIPEG • EDMONTON • VANCOUVER

BUSINESS PROPOSITION

To any serious trade, Bank or Insurance Institution or other:

We possess a large and nicely located lot at the entrance of the City of GRANBY, P.Q., at the intersection of the Montreal Highway, the Main street and a Boulevard.

If you plan a new expansion to your trade, we would be interested to discuss any proposition for building.

BRETON LTD., P.O. Box 235,
Granby, Que. Tel. 367
G. Breton, CL. 6288, Montreal.

MATHEWS

PORTABLE WHEEL CONVEYERS

TYPE 115 8, 10 OR 12 WHEELS PER FOOT

These light sections are available in 5' or 10' lengths, and in 45° or 90° curves. Tripod type supports, easily and safely adjustable, are standard equipment. Wheel conveyer lines can be set up quickly by inexperienced workers. Write today for bulletin and engineering data. All inquiries serviced promptly.

MATHEWS CONVEYER COMPANY, LTD.
130 WATER ST., PORT HOPE, ONT.
ENGINEERING OFFICES IN PRINCIPAL CITIES

AGGRESSIVE REPRESENTATION IN NORTHERN ONTARIO & QUEBEC

Manufacturers' Representative Firm established over 30 years can handle one or two additional lines.

We sell to metal mines, building supply houses and industrial plants.

BOX 290, THE FINANCIAL POST, TORONTO.

CONDENSERS

Illustrated is an excellent example of steel tubing and plate work built by Toronto Iron Works, for a prominent Canadian Chemical plant. The condensers shown are 6'—0" in diameter with 575 tubes.

To meet individual specifications, T. I. W. maintains up-to-date equipment for bending, rolling and shaping steel plate and alloys. Remember, if it's steel plate work you can depend on Toronto Iron Works . . . steel plate specialists since 1912.

THE TORONTO IRON WORKS LTD.
DESIGNERS, FABRICATORS, ERECTORS • TORONTO • CANADA

USE **PAGE-HERSEY** CONTINUOUS WELD **PIPE**
FOR
RADIANT HEATING

Page-Hersey Continuous Weld Pipe is now bringing radiant heating satisfaction to a throng of Canadian home owners

Automatically yours with the purchase of automatically manufactured Page-Hersey Continuous Weld Pipe is Page-Hersey service — which covers all pipe users and ensures customer satisfaction — a most important plus factor when dealing with home builders.

Each and every length of scale free Page-Hersey Continuous Weld Pipe displays uniformly the same characteristics. Its inherent toughness ensures smooth pressure tight bends resistant to fracture or distortion. Minimum welding costs are proved by experience.

SEND FOR THIS FREE BOOKLET

It covers the most recent information on the application of Page-Hersey Continuous Weld Pipe for radiant heating in all types of buildings. Detailed and illustrated. Mail your request to:—Page-Hersey Tubes Limited, 100 Church Street, Toronto, Canada.

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FOR RADIANT HEATING

Page-Hersey Tubes Limited, 100 Church Street, Toronto, Canada.
Canada's Largest Manufacturers of Steel and Genuine Wrought Iron Pipe

WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Lightweight Fabric

Two United Kingdom firms have developed a new wool fabric which, it is said, may revolutionize the whole field of lightweight and tropical clothing. Fabric weighs from 1½ to 7 ounces per square yard; claims to be four times as strong as any known wool fabric of similar weight; can be dyed, printed, and processed by normal methods. Product is made from blended yarns containing 95% wool with 5% or less of nylon.

Threadless Pipe Joint

No threading or welding is needed to join steel or wrought iron pipe by means of a Philadelphia-made pipe fitting, "Flagg-Flow." Malleable iron joint is attached to pipe ends by hard solder, applied at temperatures of 1,160 degrees F, or above, forming a seamless permanently bonded joint. The fitting, available in sizes up to 2 inches, is available for use on moderate-pressure and moderate-temperature systems where a "one piece" welded job would be too costly.

• • •

Addresses Tags

"Tag-O-Graph" addresses mailing tags and labels at speeds up to 150 per minute. This hand-operated, Illinois-made machine uses a special stencil which prints up to nine lines of addresses on a variety of tag and label sizes. Equipment weighs 29 lb. and measures 8½ x 22 in.

Fluorescent Fixture

Longer life for fluorescent fixtures under high humidity conditions encountered in textile mills, laundries, laboratories, etc. is claimed to result from "weatherizing" with a finish highly resistant to rust, corrosion, pitting or crazing. U. S. firm is now producing a weatherized fixture in a two-lamp, 40-watt model.

Precise Bottle-filler

British machine for filling small bottles draws liquid out of a large container and distributes it, according to setting made and in the exact amounts prescribed, into small and minute vessels, even into phials, without spilling a drop. Unit handles thick and thin fluids with equal precision and even has a vacuum regulator to reduce suction when filling liquids which tend to froth; said to be of special interest to chemists and druggists.

• • •

Plastic Sailboat

One-piece plastic hull of new 12-foot sailboat is said to be 10 times as rugged and almost half as heavy as average wooden boats of the same size. Craft weighs 300 pounds and accommodates six persons. Flexible mast of aluminum decreases the possibility of capsizing. U. S. maker says boat has greater speed because of its light weight plus the fact that the hull is molded in a single piece. Craft is claimed to be non-sinkable, leakproof, and requires practically no maintenance for the hull; can be stored without regard to climate; is impervious to salt water and worms.

• • •

Photos By the Yard

Automatic photographic equipment, featuring a continuous paper processor, provides a means of turning out dry prints "by the yard," each having a high glossy finish. Processor will handle up to three rolls of 3½-inch paper simultaneously or one roll up to 15 inches in width; said to reach production records as high as 2,400 jumbo prints an hour.

• • •

Wirebound Pallet

New industrial pallet is wirebound, with veneer slats stitched with staples at 1½-inch intervals. Weight for 36-in. by 48-in. size is 18 pounds, said to be less than conventional types. Indianapolis maker says cost is about a quarter as much as other pallets. If load is bulky enough to extend from one support to another, the pallet is claimed to hold 6,000 pounds.

• • •

Marks Cutlery

Machine for marking tapered or bevelled parts, such as cutlery blades, is constructed for mounting on a work bench and claims developments which eliminate the use of more elaborate equipment. New Jersey maker describes equipment as "a new multi-lever spring tension pressure marking machine."

Heavy-duty Sweeper

Power sweeper that keeps floors free of welding rod butts, nails, chips, paper, dirt, waste material, and sand is said to be effective both indoors and outdoors, making it an important addition to the maintenance equipment of factories, steamship docks, warehouses, and airports. California maker gives these specifications: weight, 130 pounds; sweep, 36 inches; motor 1½ hp air-cooled, four-cycle gas engine.

• • •

Planetarium Projector

Three-foot high planetarium, weighing 25 pounds, projects on any surface most of the stars which can be seen with the naked eye, creating the illusion of the heavens in any classroom office, or home. Philadelphia maker says slowly revolving unit can be used for studying astronomy or for just "star-gazing."

• • •

Bonding Agent

New adhesive for bonding silicone rubber to itself and to glass, metals, and ceramics remains flexible and resilient over temperatures ranging from 70 below to 520 above F; withstands continuous temperatures of 300 to 350 degrees F in a dry air circulating oven.

• • •

Industrial Films

More than fifty 16-mm. sound and silent films, covering a wide variety of non-commercial subjects, are available on a free-loan basis from the Canadian General Electric Company. Of interest to students, sales executives, industrial, lighting, radio, and civil engineers, these films are described in Motion Picture Catalogue 4172D, available from any CGE sales office.

Grips Drill Work

Michigan firm is making a tool which clamps to the column of a small drill press, securing the work to be handled with the turn of a single lever. This eliminates makeshift bolts and clamps, and is said to increase drilling accuracy. Adjustable clamping bars can be extended along a crossbar to hold varying work sizes.

• • •

Holds Parking Toll

Fumbling for coins when driving up to toll gates or parking meters is eliminated by a U. S. gadget called the motor car coin-holder. Unit consists of a metal semi-cylinder with a compressed spring; may be attached to windshield or dashboard by moistening of rubber suction cup and pressing it into place desired. Alternate use is as a kitchen aid, keeping coins at finger tips for newspaper or delivery "tips.."

• • •

Detects Ship Fires

Britain has new fire detector for ships' use. It is designed to operate on ambient temperatures without actual contact with flame; will respond instantaneously to any abnormal rise in temperature due to self-combustion or similar cause; includes control device which can be adjusted to give alarm at any particular temperature—an especially useful device in case of cargoes having a relatively high natural temperature.

Clean Car Doors

Interior of car doors are protected from grease, dirt, and wear by means of clear plastic sheets, now marketed in United States. Sheets are clipped over the upholstery and marks are removed with a wet cloth.

• • •

Fire Extinguisher

Dry chemical fire extinguisher claims to operate effectively under various climatic conditions, including winds and drafts. Chemical is ejected, under pressure, in a flat stream that separates the flame from the burning material, forming a fire-smothering cloud over the flaming area up to eighteen feet. Operator is protected from radiant heat. New York maker says this 10-pound unit also has these features: no toxic gases form; non-conductor of electricity; non-abrasive; harmless to finished surfaces; spray easily removed with a brush; light weight.

COMPANY REPORTS

CANADA PERMANENT MORTGAGE CORP. 1947 net profit of $766,331 compared with the previous year's $735,344. Total assets reached a new high of $77,779,688 and the volume of deposits and debentures payable in Canada are also at the highest point in the corporation's history, it is stated. Deposits now total $33,425,003 ($29,353,413), and liquid assets now amount to 95.6% of deposits.

Canadian debentures outstanding are up to $29,911,845 and sterling debentures are shown at $1,578,677. Investment in mortgages is $41,826,003, an increase of $2,426,000 during the year. During the year, Canada Permanent Trust Co. increased estates, trusts and agencies under administration to $69,1455,852 and showed a moderate increase in profit at $85,642.

	1947	1946
Liab. to public*	$65,194,467	$60,900,168
Shareholders' equity	12,585,221	12,528,890
*Secured by:		
Mtges. & sales agree.	41,826,003	39,399,203
Realty for sale ...	8,492	19,161
Office premises ..	2,993,300	3,093,300
Liquid assets† ...	32,951,893	30,917,394
Total	77,779,688	73,429,058

†Includes bonds and stocks, of which $970,000 in 1947, $978,000 in 1946, par value of Can. Perm. Trust Co. stock.

Earned per share ...	$10.95	$10.50
Paid	8.00	8.00

CITY OF PORT ARTHUR, Ont., has sold a new issue of $622,342.65 serial debentures to a syndicate headed by Dominion Securities Corp. The issue is dated Dec. 15, 1947, and consist of $11,000 3¼%'s due 1948 to 1957, $216,955.89 2¼%'s due 1948 to 1957, $34,386.76 2½%'s due 1948 to 1962 and $360,000 3¼%'s due 1948 to 1967. The last maturity is callable in each case. Price to the city was $98.573 or a cost basis of 3.17%. Proceeds are for hospital extension, school extension, fire equipment, sewers, pavements and sidewalks.

PLASTER ROCK, N.B., local improvement district has sold $120,000 bond issue to Nesbitt Thomson Co. and Winslow & Winslow. Issue consists of 3% and 3¾% 25-year non-callable serial debentures. They are dated Oct. 15, 1947, and will mature annually on Oct. 15, 1948 to 1972.

BRANTFORD ROOFING CO. directors and officers were re-elected at the annual meeting on Jan. 16.

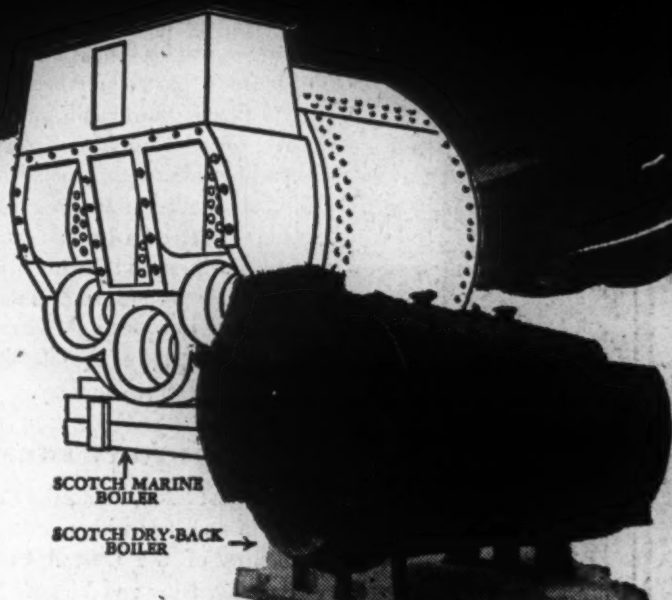
Where reliability is *Essential*

AT SEA a boiler must not fail. Reliability is therefore the essential quality of the Scotch Marine type boiler, of which hundreds have been built by Dominion Bridge. Space economy, too, is an essential feature.

ON LAND these requirements are equally valuable and they have been embodied in the Dominion Bridge Scotch Dry Back Boiler—land counterpart of the Scotch Marine type.

The Scotch Dry Back Boiler is compact, easy to install, economical in operation and especially designed for oil-firing.

Write for Catalogue No. BFP 101 describing this interesting new development.



Dominion Bridge manufactures several other types, each designed for individual operating conditions. These include Robb Victor heating boilers, H.R.T. boilers and Water Tube boilers. Let us cooperate with your consulting engineers to provide you with the boiler best suited for your needs.

MAIN PLANT AND HEAD OFFICE: LACHINE, P.Q.
In the Maritimes: ROBB ENGINEERING WORKS LTD., Amherst, N.S.

BOILER DIVISION
DOMINION BRIDGE
COMPANY LIMITED

PLANTS AND OFFICES IN PRINCIPAL CITIES OF CANADA

ALGOMA STEEL CORPORATION LIMITED

Common Stock

Listed on the Toronto and Montreal Stock Exchanges

Information gladly supplied on request.

DAVIDSON & ROBERTSON

Members: The Toronto Stock Exchange, Montreal Stock Exchange and Montreal Curb Market

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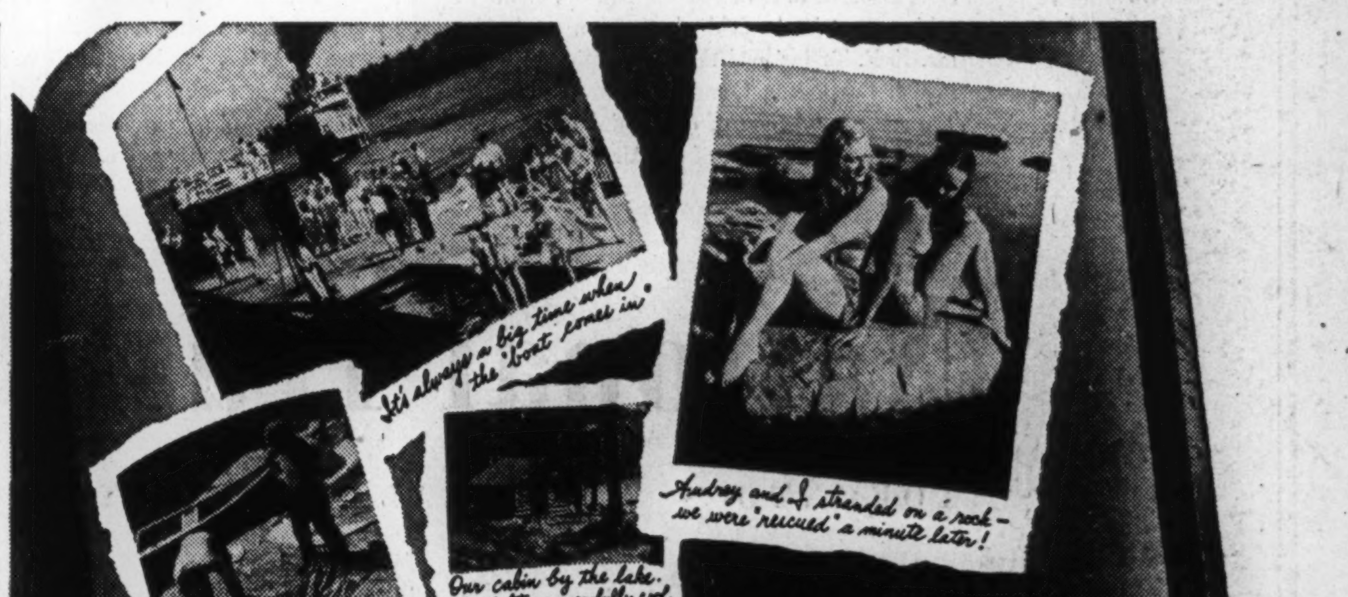

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Do You Gyp Yourself on Furniture?

Furnishing Industry Adopts Enticing New Sales Story

By CYRIL BASSETT

After Mr. and Mrs. Canada sink $10,000 and up into the home beautiful, how much do they spend in keeping it that way?

Less than eight cents in every dollar that they spend in living (and that figure includes consumer spending on appliances). Far less than is spent on automobiles, on recreation, on smokes, or on drinks.

This, merchandisers for the home are thinking, is not enough and they're preparing to do something about it: a campaign to ensure a new and continuing, bigger market built on fashion in furnishings; a gayer, brighter home for tomorrow; a campaign to get Canadians to "dress up your home—live as well as you look."

They've taken a look at other highly competitive industries for example of what can be done in the home field, how those industries have built sustaining markets by style changes: automobiles (frequently more comfortably appointed than the homes in which we eat, live and sleep), costmetics, costume jewelry and the present fashion swing in the women's clothing field.

They've found that by comparison furniture and allied industries lag a long way behind in the bid for the consumer dollar; in promotion, development of smart sales aids and delivering a smart package.

Taking a look around their showrooms they can see the day not far away when the "funeral parlor" pieces they're offering will be moving again at funeral pace and their 75% markups will be taking the cut they did in the prewar days of slow turnovers.

Sponsoring the campaign to clean out the clutter from Canadian homes and the home furnishing business is Canadian Homes and Gardens (Maclean-Hunter).

Mostly conservative at heart, leaders of Canada's $50 million furniture industry nevertheless are just about sold on the idea Taking a hindsight view of the depression years, they see a campaign to make this nation of homeowners keenly home-loving as maybe a solid insurance for future business health.

So far 30 major manufacturing firms as well as leading retail organizations have shown positive interest in formation of a Canadian Council of Home Furnishings to run the proposed campaign—a promotional effort which, it is estimated, will cost a reasonable $30,000 a year.

What the Council proposes to do first is to adapt a major American merchandising idea in home furnishings and put it over here as a service on which to build a new sales story.

That idea is called color co-ordination. If was developed from a poll of American housewives on their color preferences and the result was a complete revolution in furnishing color thinking.

For home furnishers found that American women really wanted bright and gay homes but they just weren't being supplied with the goods. Department stores here, experimenting with the same colors, have found likewise: a desire to renew and renovate furnishings has been sparked.

And so the proposition has been put to the industry: get together and get out after the new business that's waiting there for goods that aren't "just the same old thing." As a continuing object the Council would devote its efforts to speeding the turnover in home furnishings and as a long-term object would seek constantly to improve the Canadian standard of taste and quality in home furnishings.

As a clincher the final argument is put to the furniture men that they never had a better chance than the present to get going on a campaign of promotion, protected as they are for the present (by the import ban) from stiff competition of widely promoted, highly styled merchandise from the U. S.

What Do Canadians Want?

Merchandisers say that at present the Canadian furniture industry is 20 years behind the times.

This they blame on lack of smart designers within the industry, lack of business initiative on the part of all but a handful of manufacturers.

Canadians, they say, can have more elegant homes and Canadians should do the furnishing. They point to the present ban on imports of finished furniture—and they did most of their buying in high-class lines in the U. S.—and say now is the time for the Canadian manufacturer to clean off some of the dust of tradition covering his thinking and go out for his home market aggressively, a market with an estimated $250 millions to spend.

Presently the bulk of Canadian furniture design is copied from American stylings. Many manufacturers have royalty arrangements with American firms; others rely on standard lines which have not changed appreciably over the years.

Currently the furniture men are enjoying boom conditions with demand far outpacing supply and a minimum of 500,000 new prospects on the sales horizon in the next four years as housing programs get going.

How the Industry Has Grown

Statistically, the furniture industry in Canada shows impressive growth. In 1924 (earliest year for which complete figures are available) gross value of production was $25.8 millions; in 1947 it was an estimated $87 millions.

In 1924 there were 370 establishments engaged in furniture manufacture and repairs; last year the figure was nearer 700.

In the same period, the number of employees more than doubled—from 9,187 to 19,450; their pay was more than trebled—from $9.8 millions to $32.4 millions.

Today that labor force is considerably short of requirements and at least 35 firms are planning extensive factory overhauls and additions.

Plans are afoot to import skilled tradesmen. DP lists have been combed without success but recruitment campaigns in Britain for trained cabinetmakers, unholsterers, finishers and other skilled artisans are bearing some fruit.

Quebec Has a School

In the meantime a vocational school in Montreal is turning out some good material for the growing Quebec industry.

No such school at present exists in Ontario—where the industry is most concentrated, with more than one third of the country's establishments and employees—but it is hoped soon to get one going in Kitchener, the furniture capital.

At the same time more and more firms are turning to an assembly line type of operation calling for more limited skills.

It's the lack of labor which more than anything else in bedevilling the efforts of the more progressive-minded among Canada's furniture men.

How, they ask, can we set out to capture large markets if we can't get the men to turn out the goods?

Must Import Some Woods

But of more immediate concern is the effect of the import restrictions on the main raw materials going into the furniture turned out in Canadian factories.

For despite the forest wealth of Canada, few of the hardwoods and the veneers needed to finish off the Canadian bedroom suite made largely from Canadian yellow birch are found here.

Heeding the plea that total banning of these imports would put the furniture industry almost out of business when present stocks are exhausted, the Government has now let up to the extent of allowing a 45% quota on veneers and hardwoods.

But, say the manufacturers, this will not be enough to meet the industry's needs and by forcing development of a veneer industry here the Government is encouraging uneconomic manufacture and sawing and, in fact, standing to lose U. S. dollars on export of high-grade birch.

Here's how the manufacturers state the situation:

Veneers are needed to give furniture appearance value, and only one third of Canadian veneer needs is manufactured in two Canadian factories which import their hardwood from the U. S.

Current rate of consumption of veneers by Canadian furniture factories is 47.8 million sq. ft. a year, of which 18.8 million sq. ft. is produced in Canada. Cost of imports was $1.2 millions last year.

Without the veneers, manufacturers must either cut down on total output of furniture or on their use of veneers. Using less veneers means the manufacturer can use only the higher grade domestic wood for his furniture. This both encourages waste in sawing (to secure the right blendings) and a loss of export markets for high-grade birch.

Presently that birch is being sold to U. S. manufacturers for 11½c a ft. Veneers cost 3.3c a ft. to bring in, and the lowgrade, unmatched birch which the veneers cover cost only 4½c a ft. to the manufacturer.

How Veneer Costs Work

How much of an average bedroom suite is veneer?

The Furniture Manufacturers Association gives this answer: A given quantity of rare quality wood gives its beauty, when used as veneer, to at least 28 times the amount of furniture that could be made out of the same valuable wood in its solid form.

Or, taking a bedroom suite costing $118, only $3.16 goes on veneer which covers it to 1/28 of an inch. A $213 suite contains $11.59 in veneer.

Put another way, for each $100 in U. S. funds expended on the manufacture of $118 suites, $1,379 is spent on Canadian materials, $1,367 is paid out to Canadians in wages and another $912 is spent for other goods and services in Canada.

What's the situation in hardwood?

The solid walnut chair selling for $21.60 actually contains only $4.60 in imported walnut; the rest is Canadian wood. Similarly an oak console table at $22.15 will have but $3.15 in imported oak in it. A solid walnut four-piece bedroom suite at $241 contains U. S. walnut valued at $27.94.

What's the argument against making Canadian furniture solidly of Canadian woods?

Public taste has followed the American, and walnut and mahogany are today's most popular finishes. And although birch can be cleverly finished to simulate other and rarer woods the supply situation would soon get acute if production was switched entirely to solid furniture.

Keeping Prices Level

What about American competition in finished goods?

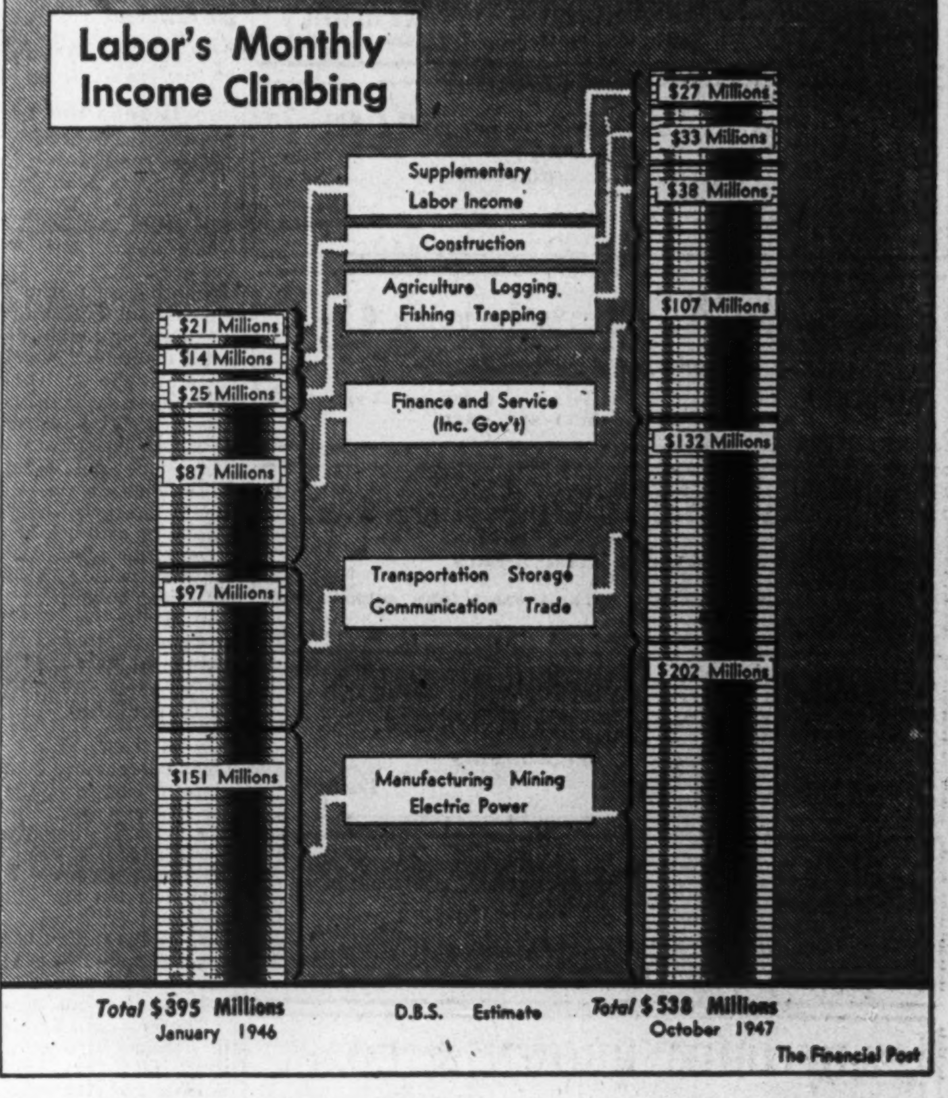
At the moment, Canadian manufacturers aren't worried. High U. S. pricing is the main factor beating such competition. At the same time Canadian manufacturers claim their prices have been kept to reasonable levels and cite a wholesale price index of 123.8 (1926—100) as evidence of holding the price line, even though wages are 80% above the 1926 figure, manufacturing materials are up 32.2%, and lumber is up 153.2%.

But the industry does have unhappy memories of American competition in the depression when, with their own domestic demand sharply falling off, American factories looked on Canada as a convenient dumping ground.

And competition within the industry is getting keener. While Ontario manufacturers, the oldest, long held the field, the Quebec industry has grown into a thriving rival able to compete in the Ontario market in all but the high quality lines.

A lower wage rate (62c as against Ontario's 75c) and abundant raw materials operate in Quebec's favor.

British Columbia too is fast developing its own furniture industry with the advantage of readily available raw materials and here one manufacturer conducts his own forestry operations.



Here Are Seaway Pros & Cons

Truman, Canada Favor St. Lawrence Waterway

Is the St. Lawrence Seaway project licked? The issue is now before the U. S. Senate. If the Senate votes against it, the bill will not be put before the House of Representatives, and the whole matter will be hurled into limbo where it will likely remain until there is a new crisis or a new Congress.

Opponents of the measure say they have it licked.

Political observers are inclined to agree because it's election year and the Seaway will earn the politicians only a few votes and, they believe, lose them many.

Periodically, ever since 1895, this project has been batted around legislative halls. Lifetimes have been devoted to promoting it; other lifetimes to opposing it.

At this climatic moment in the story of the Seaway project, let's look at the chief actors in this big drama.

Who is in favor?

Here's How They Stand

President Truman: "This great engineering enterprise will develop one of the richest natural resources of the continent for the benefit of the whole United States. It will strengthen and expand our industry, our agriculture, our domestic commerce and our foreign trade." (Letter to leaders of both parties.)

Canadian Government: has approved "in principle," but with some qualifications as to the terms on which the project would be made "self-liquidating" by means of tolls. Regarded as essential development for Canada's already huge investment at Welland and on other links in the inland waterway chain.

N. Y. State Power Authority—Sponsors public ownership of power projects in state. Solidly behind development of 2,200,000 horsepower hydro-electric plant in the international section of St. Lawrence.

Most U. S. Iron and Steel interests. Delivery to existing plants of ore from rich new deposits in Northern Quebec and Labrador will remove threat to their existence due to exhaustion of local supplies.

Ontario Hydro-Electric Commission—Favors power development (Canada's share from International section plant would be 1,100,000 horsepower) to meet growing needs of Southern Ontario area.

Prairies : Wheat farmers see, in Seaway, possibilities of cheaper transport of their wheat to world's markets.

Toronto Industrial Commission : Power development would attract more new industries to the area, especially if manufacturers were assured of cheap transport and reduced handling of goods possible when 90% of ocean-going vessels can be loaded in Toronto.

Toronto Harbor Board: $35,000,000 already spent on waterfront improvements and Toronto can now handle ocean-going vessels.

Defense Departments: Believed generally to be in favor but currently U. S. military men would probably give higher priority to fixing Panama Canal.

Will It Cost Too Much?

Here is how the Seaway costs were broken down in the most recent U. S. estimates:

	Millions
Expenditure to Date	
By Canada (Welland Canal)	$133.
By U. S. A.	62.
Total	$165
To be Spent	
By Canada:	
(a) International Rapids section:	
Works solely for power	$ 64.6
Navigation and power	34.5
(b) Canadian section:	
St. Francis channel	2.
Soulanges Reach	39.6
Lachine Reach	85.9
Total	$227
By United States:	
(a) Great Lakes section:	
New Sault Lock	$ 14.6
Connecting channels	61.
(b) Thousand Islands section:	1.3
(c) International Rapids section:	
Work solely for navigation	66.1
Work solely for power	166.2
Navigation and power	182.6
Total	$492

Who Opposes the Seaway?

Railways: Loss of freight business due to direct access of ships to present-time inland ports.

New York Harbor Authority: Diversion of traffic to other ports. Boston, Baltimore, Philadelphia, Norfolk and New Orleans record similar objections.

U. S. Private Power Interests: Claim business threatened by development of cheap power at international section plant.

N. Y. State Federation of Labor: Claims project would not be self-supporting and would be vulnerable to air attack. Would take traffic from Atlantic ports without compensatory advantages to any group other than foreign steamship lines. Says hundreds of industries would be hurt and hundreds of thousands of men would suffer if plan were carried through.

Buffalo—At present unloads goods from lake steamers and transships them by rail and barge canals to New York.

United Mine Workers—John L. Lewis and his boys see a diminishing demand for coal because most of the present steam power plants in the northeastern states are run by coal. Reduction of rail traffic would also affect them.

Republicans Opposed

Organized opposition in Congress has come from Republican Senators who regard the Seaway as a Truman measure, which is one reason for opposing it.

One doughty opponent to take the field this time has been Mayor O'Dwyer of New York who has formed a "citizens' committee" to fight the plan.

Representing more than 200 business, civic and labor groups, the mayor who has divorced himself from his party's traditional stand in support of the seaway, has asked the group to write to the President and their Congressmen in opposition.

They claim that a 50-lock canal in the St. Lawrence would be vulnerable to bomb attack; that it would not be self-supporting; that expenditures could not be justified on the basis of national welfare since they would take commerce away from New York and other ports, and that many New York industries would suffer.

Much argument revolves around the proposal to pay for the project by a system of tolls. Proposed maximum toll is $1.25 per short ton. Opponents say this charge is inadequate and any toll required to carry the project would have to be at least $3.71 a ton.

Canada Doubts U. S. Costs

In 1941 estimated cost of the scheme was $579 millions. Revised estimates published six months ago put the cost then at $884 millions. But the price is going up daily.

Canada does not agree with these U. S. figures and advocates a complete review of cost estimates in the Canadian portion of the project. A committee is now at work on that task. (See table for a breakdown of estimated costs.)

Proponents of cheap power in New York declare that every hour's delay in completing the project means a $1,000 loss in wasted energy.

The New York State Power Authority has expressed the view that the state's consumers would save about $25 millions a year.

They say it would give the U. S. a new 2,500 mile highway for Atlantic ships pointing directly into the heart of the continent, offering unlimited scope for future development of vast areas and all for the cost of deepening a hundred miles or so of the International Rapids in the river near Montreal.

Detailed engineering plans show that the 2.2 million hp hydro-electric development near Massena, N.Y., in the international rapids section would make up 71% of the project and include:

A powerhouse in Barnhart Island more than 3,400 feet long, located half in New York and half in Ontario.

The Long Sault dam, to be located entirely in New York State, would be a curved concrete structure with 40-foot steel crest gates, 3,000 feet long and 150 feet high.

A canal and locks located entirely in New York State, would carry vessels round Long Sault dam. The new locks would have a combined lift of about 90 feet, and 80-foot width by 800-foot length and 30-foot depth over the sills.

An Iroquois control dam to maintain the level of Lake Ontario and to provide the best operating conditions for the power house. The Point Rockway Canal and lock on the New York side would be used l vessels to bypass the dam.

Plastics Industry Aims at Export Market

Bigger Output, More Canadian Materials Seen for 1948

By LARRY DACK

Dollar volume of plastics production in Canada is running more than seven times that of 1939, but a huge waiting export market has been virtually untapped. Export possibilities at the moment represent an annual volume two to three times as great as that used domestically, plastics officials inform The Financial Post.

With coming into operation in late 1946 and 1947 of Dow Chemical's Sarnia plant and Monsanto (Canada) Montreal plant for production of polystyrene, Canada's dependence on the U. S. for that all-important basic material has practically disappeared. In fact both companies are currently exporting more than is required in all the domestic markets. Exports are going to all the major plastics producing countries in the world and more than half the countries are paying in hard currency.

Large scale expansion in Canada's plastic production facilities this year will see these developments:

A 50% increase in over-all production of vinyl resins;

Commencement of production for first time of vinyl resin plasticizers;

Doubling in capacity of bakelite phenolic and urea resin;

First production of phenol formaldehyde molding compounds.

Our dependence on U. S. sources of supplies will be sharply reduced as a result of the expansion program and the plastics industry in this country will be in a substantially better position to take advantage of the huge indicated export market.

Here are details:

Bakelite Co. (Canada) Ltd. is presently engaged in construction of a modern plant in Belleville to cost in excess of $2 millions. When—likely this year—completed company's over-all productive capacity will have been doubled, and the company put in an exporting position.

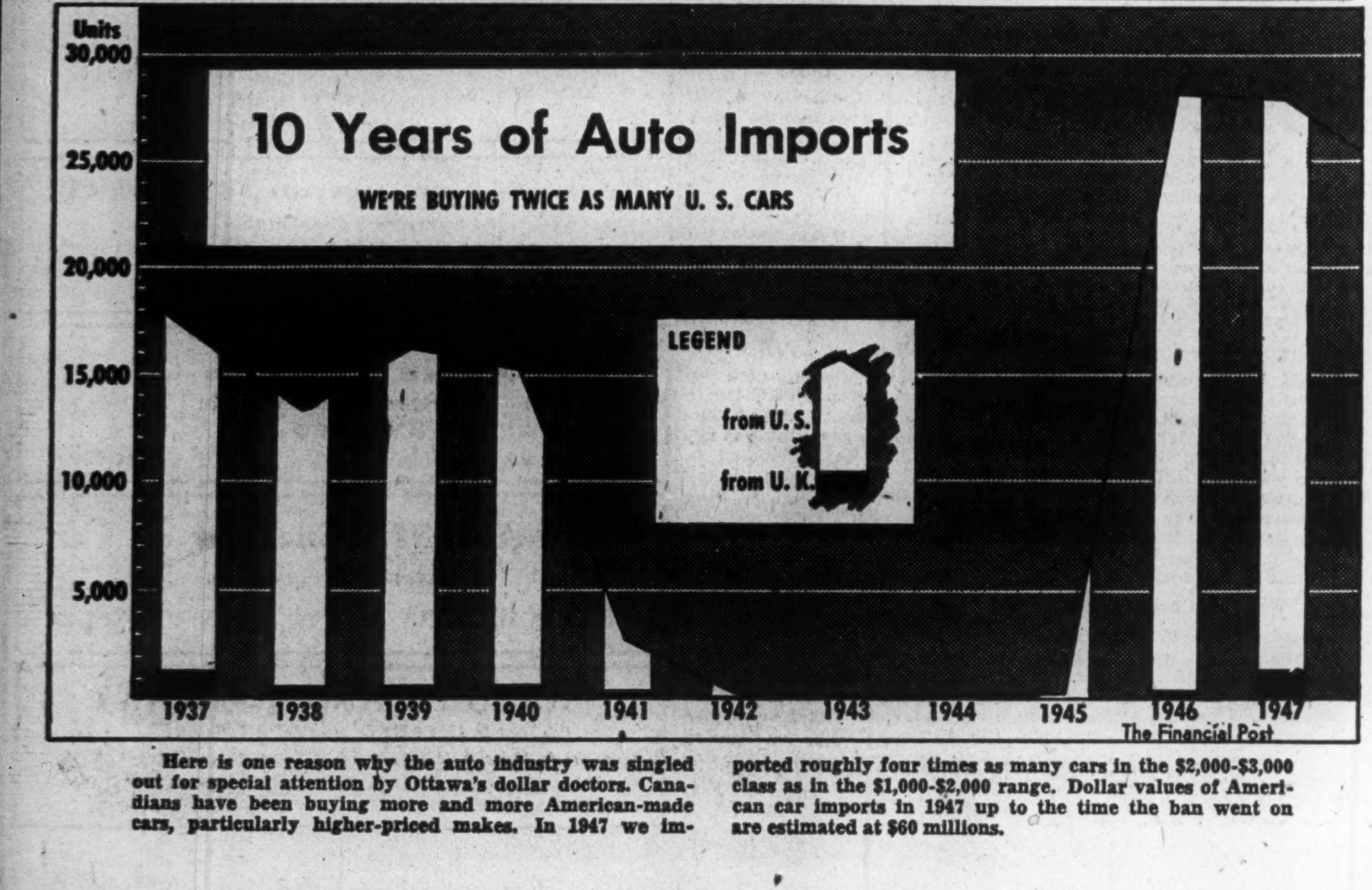
Canadian Resins & Chemicals is constructing a new plant at Shawinigan Falls for first Canadian production of vinyl resin plasticizers. This, an essential item in production of all vinyl film products, e.g. raincoats, shower curtains, etc., has up to now all been imported from the United States.

Die Plast Co., Montreal, is setting up to extrude saran into monofilament (single thread) for use in weaving of saran cloth and plastic insect screen. Two important uses are automobile seat covers and recreational facilities.

Last year Canadian volume of plastics production reached an estimated $48 million. At present more than 12,000 people are engaged in the industry and receive more than $18.5 millions as compared with 2,500 in 1939 who were paid $3 millions.

The industry is now budgeting for 1948 dollar volume of approximately $53 millions.

The widely held misconceptions of the previous years that plastics would be a miracle material, clear as glass, strong as steel, light as air and cheap as dirt, are gradually being corrected, an industry spokesman claims. Plastics definitely have their limitations, but they also have definite points of superiority in correct applications. Recognition of this fact is being reflected in much more intelligent consumer buying, it is stated.



Here is one reason why the auto industry was singled out for special attention by Ottawa's dollar doctors. Canadians have been buying more and more American-made cars, particularly higher-priced makes. In 1947 we imported roughly four times as many cars in the $2,000-$3,000 class as in the $1,000-$2,000 range. Dollar values of American car imports in 1947 up to the time the ban went on are estimated at $60 millions.

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Too Much Leaning on State

State Aid in Mass Education Seen Failing at Proper Goal

What is the true purpose of University education?

Should that education be available on a mass scale, through government assistance, or should it be available only to those who attain the highest standards—who can take their places as leaders of thought?

Here is the address on the place of universities in the nation, delivered recently by Rt. Hon. Arthur Meighen before the London branch of the Toronto Alumni Association:

By
RT. HON. ARTHUR MEIGHEN

The sciences and the humanities are recognized everywhere as the fitting studies of serious and aspiring youth. The instrument of language, or rather, of languages, is the equipment which opens the gates to these dual fields, and for that reason certain languages are mastered and the mastery, if complete, becomes a prized and useful possession. All possible under those headings the educated man should know, and with that huge empire or as much of it as he can explore, his mind should keep in converse while it grows in discipline and power.

In earlier times there was apprehension that science, especially in the field of natural science, was resolved to oust its rival claimant, the humanities, and take the University curriculum to itself. This apprehension I hope is passing away. A major place, a vast territory, the physical sciences must always occupy, and from it they can never be be dislodged. But the other realm of human evolution has large dimensions too and has values as large as its dimensions. We should not even think of these two groups of studies as rivals. In the simple words of Lincoln, they are not enemies, but friends.

The great Huxley, at a meeting in London back in the last century, said that in his concept Science and Art were the obverse and the reverse of nature's medal, the one seeking to express the eternal order of things in terms of feeling, the other in terms of thought. In thus speaking, Huxley was thinking of Art not so much as a skill as a kingdom of ideas endowed with simple beauty, sanity and healthiness — qualities inherited so abundantly from ancient Greece. "When man no longer loves nor hates, when suffering causes no pity and the tale of great deeds ceases to thrill, when the lily of the field seems no longer more beautifully arrayed than Solomon in all his glory, when the awe has vanished from the snow-capped peak and from the deep ravine, then, indeed, Science will have the world to itself, not because the monster has devoured Art, but because one side of human nature is dead and mankind has lost the half of its precious and eternal heritage."

These two broad departments shade somewhat into each other.

A study of the sciences may summon forth those qualities which the humanities more directly encourage, but that does not subtract from the case I wish to present. The curricula of Universities have been for years more and more invaded by subjects which I dare to suggest have no proper place in either category. Whether the Western Ontario is free from this development I do not know, but, undoubtedly, it is one of the freest.

At Toronto's recent Convocation, Mr. Massey, the new Chancellor, in a penetrating and scholarly address, emphasized with great force that the one fundamental purpose of a University was the cultivation of the mind. To this end the gifts of an education, he said, were, first, intellectual integrity—(to that I would add as a corollary integrity of words, suspicion of catch-words and scorn of slogans that deceive the hearer and debase the language—to debase its language is more dangerous to a nation than to debase its coinage)—and so, to return:—clarity of thought and precision of expression, mental alertness, a critical sense which enables one to distinguish the real from the spurious, the excellent from the second-best; and then, on the side of the humanities, an awakening of the imagination, a development of a sense of beauty and the power to enjoy beauty of thought, of vision and of words.

WHY IS EXPERIENCE NEEDED?

What has taken place has been, in the first instance, an accession of subjects under the name of Science that are not sciences, and, in my judgment, never can be Science is accumulated and accepted knowledge directed toward the search for truth, and one might add, unchallengeable truth.

The subjects of whose prevalence I complain deal with a vast variety of events and circumstances always changing and shifting. The wisdom of any decision to be made on the basis of such variable facts and events must be dictated by common sense applied to the situation of the hour as such situation stands between its background and its prospect. It cannot be assisted much by philosophical disquisitions in advance. The best equipment for wise executive action, upon such living and moving foundations as I have described, is practical contact with affairs and such understanding of human nature as comes from experience and experience alone.

Then, again, there has been witnessed an introduction of ever-increasing occupational studies — studies very useful in their place and some of them worthy of public assistance, but not contributing, or contributing very little, to the higher mission for which, as we all know, Universities exist. As Mr. Massey puts it, the lines leading toward the higher objectives are obscured and confused, and the essential purpose is lost to sight.

True, the great professions have been traditionally included in, and are still a large sector of, academic work. But does it follow that all occupations should be similarly included? Admittedly they should be, if all of them—that is, the training for all of them — can fit equally well into the great design for which Universities are founded. Everyone knows they can not, and I earnestly impress upon you this principle, that nothing in the way of occupational or professional training should be enfolded in a University curriculum unless the subject matter covered by the training lends itself to truly scientific thinking and to cultural growth. To bring others into the ambit is to deflect the institution from its predestined and exalted purpose, to dissipate its energies and to confuse its task. There are activities carried on under the aegis of some Universities, whose passport of admittance can only be justified on the theory that anything worth discussing should have a professor to open the debate.

HOW BIG SHOULD UNIVERSITY BE?

Both tendencies of which I have spoken have the effect of forcing abnormal growth in these centres of higher learning. Some have multiplied their students until they have from five to 10 times what they had when Canada's population was half what it is today. Can it be honestly argued that this country is, on the whole, a better-educated country than it was 30, 40 or 50 years ago? I do not think so. Bigness, of itself, is a curse and not a blessing. It forbids, on the score of cost alone and for other reasons as well, that close intimacy between pupil and teacher so precious to those who are rightly in College halls, an intimacy that arose from the old conception of a University as a community of masters and students. An alma mater must know her children one by one, and can never become a mint or a factory or even an army.

There are, it is plain, reasons for abnormal attendance just now because of special obligations we owe war veterans. But anyone can see that when these obligations are discharged there will still be unwieldy thousands — larger attendances much than before the war.

By no means should our College halls become a mere refuge for highbrows. Their doors must be opened to the brilliant student if he has shown his worth, even though handicapped in funds, and, conversely, they should be closed to the unfit applicant even though smothered in wealth. But the tendencies I have spoken of result in the admission of large numbers who clog the processes, have not the intellectual equipment and sternness of purpose which can make them leaders. The standard of quality so important to places of higher learning is impaired.

I am against mere bigness for another reason, a reason which I think goes to the very roots of our whole social organization. It has to do with the social teaching —yes, the political teaching—of our time. As our academic halls multiply and diversify, the University becomes more and more dependent on the State, and dependence on the State is becoming a veritable epidemic, a spreading pestilence, in every department of life.

Certainly the essentials of at least some occupations must be taught. The University, though, must be a place of higher learning and of the highest standard of student and of faculty. True, even in this work the public is right in demanding that the University come to the people. But it must answer the demand while still retaining its quality and remembering its mission, by producing leaders of thought who go among the many and carry the first fruits of education, the true values they have acquired, to all who can listen and learn.

HOW FAR CAN THE STATE GO?

The State, by higher training, can develop leaders. It can make leaders of those who show they have the stuff to qualify. It can help with special generosity those who specially help themselves, those who by extraordinary effort demonstrate that they have the capacity and the will to get to the front. But beyond that the State, for the good of the nation, for the good of its youth, cannot dare to go.

There has spread through the world in recent times the creed that governments must be the director and protector of everybody, and in some way bring about equalization by destroying self-reliance and self-responsibility. To this doctrine democracies are peculiarly exposed because of the power of the ballot. The weakening of democratic institutions in many lands, and their disappearance in some, can be traced to this disease.

We make education free — that is, elementary education. Public schools for the young are open and free. What is taught there is necessary for the tasks of life and children cannot take care of themselves. Our High Schools and Collegiate Institutes are all but free. We are rightly generous with them. We ought also to be more generous than we are to many of our people, who, because of disability, are handicapped in life. But the open door of the University for higher education on a mass scale is a symptom of the malady which is eating at the vitals of society. Step by step we are substituting a so-called social security for self-reliance; government direction for self-adventure, self-experience and self-responsibility.

What is this social security we have been hearing so much about?

In a factual sense there is no such thing. It does not belong to this world. This is a world of danger and adventure. It is only by going through danger and adventures that we acquire the capacities to face them and to master them. Certainly there can be no such thing as social security handed out by the State. The only thing of the name that is worth anything is what we provide for ourselves. The more the State aims to provide it, the farther we will be from it. Coming as a gift it is unreal; it is empty, and besides, it debilitates morale; it corrupts and impoverishes the human spirit. Safety without the power of self-protection and self-sustenance is not safety at all.

WHAT SHOULD GOVERNMENT DO?

All that Government should do is to establish and enforce laws, and so frame its laws as to provide the maximum of opportunity. It is for man, within the law, to make his way, to pay the penalty for his failures, to grow strong by his struggles, to give employment by his enterprise, to inspire others by his victories and to help the unfortunate by his success. Too much Government means little men. It is only by battling with burdens and dangers that self-reliance becomes a reality, and without self-reliance no human being is in moral health and no life is worth while.

My last word is this: — "With malice toward none, with charity for all": that was the wise precept of Lincoln. It is a wholesome teaching for all mankind. But charity does not mean protection through life's storms. It does not mean shelter from the battle and a withering of the wrestling thews. It does not even mean benefaction, or bounty, or paternalism; and anyway, benefaction, or bounty, or paternalism are hardly ever of value.

Very certain it is that these things are not a function of government whose money is not its own—and that, no matter who or what the favored beneficiary may be.

The vicissitudes and perils of our journey on this earth are not getting less; they are increasing as years advance, even though opportunities are greater.

Paternalism can produce only greenhouse plants, and a greenhouse generation will surely go down in the battle of the strong. These are simple, homely truths — simple, homely truths that a few years ago hardly any would dispute. But we are losing our hold on them; we are drifting away from them under the spell of slogans and the passion for votes and power.

The greatness of a Nation, its value to humankind, is measured by the stature of the men and women who make it. This must never be forgotten. And so, whatever the complexities of our bewildering age, whatever its perils, whatever the need for larger union and organization wide as the world, we must in our own domain so fashion our polity that every one of us will feel that to the very utmost he is master of his fate and author of his woes; that he is still at the helm of his own life and that on his captainship depends his destiny. Not under the totalitarianism of centuries ago, not—a thousands times not—under the totalitarianism of today, but only when and where the principles just recited were paramount, has there been witnessed the onward march of the masses of mankind.

Gas Lack Hits Industry Immediate Solution Needed

King Winter clapped a vicious hand over southwestern Ontario in the last two weeks. In one of the longest cold spells the area has experienced, he left a trail of unemployment, the threat of heatless homes.

With the advent of the cold spell, domestic input of natural and manufactured gas in the square toe of Southwestern Ontario bounded by the cities of Windsor, Sarnia, Brantford and St. Thomas, jumped 20%.

At first, industries were rationed. Then, as the cold spell continued and the pressure began to drop in the wells, came the shutdown which threw 25,000 temporarily out of work. Cities and towns affected were: Windsor, Chatham, Wallaceburg, Dresden, Tilbury, Ridgetown, Thamesville.

Industry and provincial government officials went into almost constant huddles to try to work out some temporary relief, and evolve some long-term plan of banishing once and for all, the annual winter's gas bogey in this area. At midweek, no concrete plan had emerged. Proposals ranged all the way from suggestions that industry set up its own auxiliary plants to manufacture gas, to recommendations that the federal Government seriously look into the possibilities of constructing a pipeline to deliver natural gas from Alberta to Ontario.

The latter suggestion is not receiving very serious consideration from company or government officials. No real appraisal of reserves of natural gas in the West is possible.

The Panhandle Contract

Col. Thomas Weir, general manager of Union Gas Co. of Canada, the big producer in the area, thinks the most feasible plan would be to press for regular deliveries of natural gas under the company's contract with Panhandle Eastern Pipe Line Co. of Texas. When pipe line capacities in the United States catch up with demand in that country we will likely be able to get full contract deliveries, he says. These call for an annual delivery to the company's pipe lines (constructed this summer) of 5.5 billion cu. ft. of natural gas.

Other suggestions include extension of company's facilities for making gas from oil and enriching it with purchased propane. This would entail considerable delay, as equipment and oil are both scarce. Furthermore, such gas would be more expensive than present supplies.

A third possibility would be construction of either a central coke oven plant or smaller coke oven plants in different sections. This would mean conversion of at least the large cities to coke oven gas, which is much more expensive and has only half the heating value of natural gas.

Windsor, Chatham, Hit

Ford Motor Co. of Canada, Chrysler Corp. and a General Motors Co. plant in Windsor are seriously affected by the gas shortage. Chatham plants of Ontario Steel Products, Chatco Steel Products and International Harvester are also affected. In Wallaceburg, Dominion Glass, Schultz Die Casting Works, Wallaceburg Brass, National Pressure Cooker, Canada and Dominion Sugar have also been asked to stop using gas. In Kent county, some 34 industries have been asked to discontinue use of gas until the emergency is over.

It is Fuel Controller A. R. Crozier's job to see that the available supplies of natural and manufactured gas are distributed most fairly, particularly to the domestic heating and cooking market. Under the present priority system, Union Gas's first responsibility is to domestic users in its own area; next, to domestic users in the area served by Dominion Natural Gas Co., Brantford (providing that all industrial users in that area have previously been cut off). When these demands have been filled, Union Gas can then serve its own industrial users and, if anything is left over, it may be distributed to Dominion's industrial users in the area extending roughly from Brantford to St. Thomas.

Fear has been voiced that Dominion Gas Co. would have to shut its domestic users off entirely, early this week. Early Wednesday the company's plant had only some 50,000 cu. ft. of gas left—enough for domestic requirements for about a day and a half. The company has been getting delivery of some gas from Union Gas for several days, and delivery of eight tank cars of propane and butane gas from Sarnia has helped considerably in staving off a complete shutdown.

$1.7 Millions Tax Arrears Paid Up

OTTAWA—Income tax evaders smoked out by the revenue department's sleuths have had to pay up to the extent of $1.7 millions since the Government started its blitz to recover back taxes three years ago.

In addition, they have had to pay $326,000 in fines running from $100 to the maximum of $1,000 in the 79 prosecutions undertaken. Few jail terms were imposed, the total amounting to 27 months.

At the same time a number of other businessmen making voluntary disclosures have paid in around $100,000 arrears in the past year.

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CALGARY POWER CO. will spend more than $500,000 for line exetnsions and services in the Edmonton area this year, president G. A. Gaherty, of Montreal, states In addition to rural extensions, there will be main line expansion in the area he said. Approximately 400 farms will be connected up when extensions under way in the Strathcona and Bremner areas are completed. The company has about 2,300 customers in the Edmonton area.

DOMINION STORES, LTD., announces that Bankers Trust Co. has been appointed transfer agent in New York for its common stock, no par value.

ANGLO ROUYN MINES says that crosscut on 900-ft. level has advanced 300 ft. from station with granitized material showing in places. The drive is expected to reach its objective some 270 ft. away by Feb. 15.

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Here's How 'Benelux' Operates

Effect of First Stage of Customs Union Plan

What's behind the Customs Union of Belgium, Holland and Luxembourg? How does "Benelux" operate, and, more important, what's the long-term plan?

The answers to these questions are given in this article by B. A. Macdonald, Commercial Secretary of the Canadian Embassy in Brussels, published recently in the Trade and Commerce Department's journal "Foreign Trade."

The "Benelux" plan provides for the adoption of a common tariff, which phase took effect Jan. 1, 1948; the creation of a complete customs union or free trade area, which has not yet come into operation; and the eventual fusion of the three countries as an economic union, which is still under consideration.

The establishment of a common tariff against all other countries and the removal of all duties on goods originating in Belgium or Luxembourg, and moving into Holland, and vice versa, is involved.

Although the tariffs between the two areas will be abolished, customs barriers will remain. The reason for this is that all the machinery of trade, exchange, price, rationing, controls and taxation, such as excise taxes and such sales, turn-over and transit taxes, statistical fees, etc., as are normally now collected at time of customs clearance, will remain quite separately and distinctly in force.

How Will It Affect Canadian Exports?

A Canadian product imported into the Netherlands will not automatically be able to move into Belgium. When it reaches the Belgian border, it will be treated as though it came straight from Canada. The consignee will have to demonstrate that it comes within the lists of admissible goods, and that he possesses the necessary import authority. He will have to pay such duty as may be applicable. For this reason, Canadian exporters should not contemplate any change in agency arrangements as between Belgium and Holland.

Other things being equal, it will remain desirable, if not essential, to have separate agents for each country. It might be well, to prevent possible friction, to have it understood clearly by agents that they are not to attempt to sell indirectly outside their respective territories.

How Does Benelux Tariff Operate?

The new tariff came into force Jan. 1, 1948. Accordingly, goods whose covering papers were entered at the customs after midnight on December 31, 1947, will be subject to the new duties, irrespective of the date they were shipped from the country of origin.

Although the tariff contains only one column, it is in effect a two-column instrument, since it contains a provision whereby the duties shown will be doubled on goods from countries discriminating against the Benelux countries. Goods entering free will be assessed a minimum duty of 10%, if they come from such countries.

The new tariff contains 991 items, with many sub-divisions, as compared with 1,216 items in the old Belgian tariff. The new duties are almost wholly on an ad valorem basis, since the tariff was drawn up in the light of recommendations made by the League of Nations in 1937, which favored ad valorem as against specific duties. Nevertheless, certain products remain subject to specific duties, such as raisins, coffee, tea, sugar, alcoholic beverages, other alcohols, vinegar and raw tobacco.

How Do Old And New Rates Compare?

The change, in the case of Belgium, from a largely specific to a largely ad valorem basis makes it difficult to determine the relative onerousness of the old and new duties. In many cases, it is only the importer who is familiar with such information as weights, type of packing, landing cost, etc., who can determine what the ad valorem equivalent of the old specific duty was.

Most raw materials and bulk foodstuffs are either entirely free or subject to nominal duties. For example, such commodities as raw wool, cotton, copper, lead, aluminum and nickel are free from duty. But the rates on certain processed foodstuffs, such as canned fruits and vegetables (30%), and on certain categories of manufactured articles, such as textiles, including hosiery and carpets; automobiles, tires and paper of certain types, have been increased. However, the duties on some of these products have been suspended.

What Are Criticisms of Some Tariff Increases?

Belgian importers and consumers are no exception to those in other countries in their failure to welcome tariff increases. Considerable criticism has already been expressed in some cases. It was claimed, for example, that the new rate on newsprint represented an increase of 900% over the old duty. Investigation revealed that, while this was true, the new rate itself was only 10% ad valorem. The explanation is that the old specific rate of 9.2 centimes per kilo represented an almost negligible duty at prevailing European price levels for newsprint.

The new rate of 24% on nylon stockings represents an appreciable increase over the old specific rate of 150 francs per net kilogram (2.2 pounds). But, the effect of this increase is reduced in importance by reason of the fact that Belgium produces no nylon yarn, and has been able to obtain elsewhere only a small fraction of what she requires to produce goods for domestic consumption. Thus, the import of nylon hosiery is much more likely to be affected adversely by import controls and exchange than by the tariff.

Is The Belgian Congo Affected By Tariff?

The Benelux tariff does not apply to the Belgian Congo, the Netherlands East Indies or to other colonies of the Netherlands. It is understood, however, that arrangements are being made whereby the produce of those areas may receive beneficial treatment when entering the Netherlands and the Belgo-Luxembourg Economic Union respectively.

In an effort to combat "black market" operations by encouraging large imports, the Belgian Government has continued the suspension of customs duties on essential goods, effective since the liberation, in September, 1944. A similar policy was followed by the Netherlands. It was originally intended that these suspensions should end when the Benelux tariff came into effect. It was agreed late in November, however, that certain of the suspensions should be retained for a period, in order to assist the government's efforts to bring down the still highly inflated cost of living, and to encourage the industrial re-equipment of the country. The following goods will be admited, temporarily, duty-free: Foodstuffs, textiles, footwear, cement, timber, machinery and tools.

What Are Second And Third Stages of Program?

The second stage of the Benelux program will involve the creation of a customs union, or free trade area in the complete sense. That is, all the apparatus of trade and exchange controls and of taxation imposed by the customs authorities will probably be made uniform against other countries, and abolished between the Benelux partners. All goods produced in or admitted to one area will be enabled to, move freely into the other.

The third stage envisages a fusion of the Netherlands, Belgium and Luxembourg, similar to the economic union existing since 1922 between Belgium and Luxembourg. This presents immense problems. Such integration of the two economies will probably mean identical or nearly identical domestic policies over a wide area, involving particularly prices, wages and taxation, and possibly currencies of equal value and a joint bank of issue. It is not possible to indicate when this stage will be reached, but it is believed that several years will be required to solve all the complex problems involved.

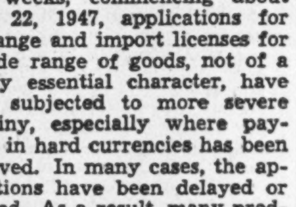
Is Canadian Trade Likely to Be Adversely Affected?

It is unlikely that the new tariff will have any serious adverse effect on the trade of Canada with Belgium, as it remains true to Belgium's traditional low tariff policy.

The real effects may not be felt for some time, as the restrictive influence is lessened by the suspension of duties on numerous items, by the favorable results of reciprocal concessions negotiated between Canada and the Benelux countries at Geneva, and by the continuing high internal level of Belgian prices, which make the duties on many articles of secondary importance.

On the other hand, the whole apparatus of Belgian import, exchange and price controls remains in effect, quite apart from the tariff. Over the past few weeks, commencing about Nov. 22, 1947, applications for exchange and import licenses for a wide range of goods, not of a highly essential character, have been subjected to more severe scrutiny, especially where payment in hard currencies has been involved. In many cases, the applications have been delayed or refused. As a result, many products of a luxury or nonessential character will probably be excluded, despite the fact that under present conditions they would find a ready sale in Belgium if they had only the customs tariff to surmount. Nevertheless, the advent of this new tariff is of the greatest importance to all Canadian exporters interested in trading with Belgium, and indeed with Europe.

The French Foreign Minister, speaking recently in Brussels, paid tribute to the example that had been set for other countries. He said that in "Benelux," a name that had sprung spontaneously into current use, a new term had been given to the vocabulary of international relations, and that it would inspire France and Italy in their efforts to reach a similar customs union.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INVESTMENTS

Cnd. Investment Fund

What type of security is Canadian Investment Fund? Has its dividend record been a consistent one over the last few years? Would you advise purchase of shares in this company?

The Canadian Investment Fund is an investment trust of the management type. It is also known as an "open end" type of investment trust. Holders of special shares of this company have the exclusive right to redemption upon request at the liquidating value.

Dividends paid per share, 1936-47 (Oct. 31, 1947) are: 1936, $0.16; 1937, $0.20; 1938, $0.16; 1939, $0.16; 1940, $0.16½; 1941, $0.17; 1942, $0.17; 1943, $0.17; 1944, $0.17; 1945, $0.17; 1946, $0.20; 1947, $0.20.

On Sept. 30, 1947, the company's investment portfolio contained 64 individual issues, all then said to be on indicated dividend or interest-paying basis.

An investment trust of this type offers the shareholder a means of obtaining diversification without distributing a comparatively small capital too thinly over a number of securities of his own choosing. There is little doubt that an investor with no knowledge of the stock market would be better advised to achieve diversification through an investment fund of this type, rather than attempt to make his own selection. An alternative, however, and in some instances possibly a better practice, would be to consult a reputable investment counsel for advice before making any investment move. In an investment trust of the management type, the individuals responsible for managing the fund play a very important part. Therefore, it would appear that an investor should obtain as many opinions as possible from reputable investment men as to the personnel in charge of the fund.

In the case of the Canadian Investment Fund, the dividend record would indicate that the fund is being carefully managed, and that the diversification in its investments offers the shareholder some protection against a decline in certain individual issues.

Also important, from the shareholder's standpoint, is the fact that the shares have always a liquidating value, computed at the end of each day's business.

School Tax

If an Ontario property owned by a separate school supporter is purchased by a public school supporter and there are public school debentures outstanding, is the public school supporter liable for the tax levies for public school debentures on this purchase?

If property in Ontario owned by a public school supporter is purchased by a separate school supporter, the public school having debentures outstanding, is the purchaser liable for that portion of the public school tax levy which represents the amount required to pay charges on outstanding public school debentures?

The Ontario Department of Municipal Affairs advises The Financial Post as follows:

1. If property owned by a separate school supporter is purchased by public school supporter, the public school supporter would become liable for the tax levy for public schools on this property. This would include whatever portion of the levy was needed for payment of the public school debentures already outstanding.

2. If property owned by a public school supporter is purchased by a separate school supporter the purchaser will remain liable for that portion of the public school tax levy which represents the amount required to pay the outstanding public school debentures.

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Real Estate:		
Office Premises	$70,000.00	
Other (Held for Sale)	35,826.02	
		$ 105,826.02
Mortgages on Real Estate		12,575,985.72
Agreements for Sale		491,623.38
Loans on Policies		885,765.16
Bonds and Debentures (Book Value)		4,146,824.69
Stocks (Book Value)		131,449.17
Cash on Hand and in Banks		36,065.66
Interest Accrued		72,676.65
Premiums Due and Deferred (Net)		228,303.48
TOTAL ASSETS		$18,674,519.93

LIABILITIES

Policy and Annuity Reserves	$15,204,068.00
Provision for Unpaid and Unreported Claims	278,055.00
Amounts Left with Company at Interest	758,379.00
Premiums Paid in Advance	12,640.85
Interest Paid in Advance	390.04
Taxes, Expenses and Accounts Due and Accrued	49,029.29
Other Liabilities	65,453.19
Staff Pension Funds	147,818.00
Dividends Allotted to Policyholders	62,705.00
Investment and Contingency Reserves	700,000.00
CAPITAL PAID IN	327,155.00
SURPLUS	1,068,826.56
TOTAL LIABILITIES	$18,674,519.93

New Business increased to $8,115,053 . . . Insurance in Force $60,671,183 . . . Policy Reserves raised $551,934 . . . Payments to Policyholders and Beneficiaries $952,789 . . . Gross rate of interest earned on ledger assets 4.79%

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Life Executives Favor Lower Taxes, Higher Interest Rates, Immigration

The upward trend in interest rates and the need of easing the tax burden on individuals and industry were among points stressed by life insurance executives at annual meetings recently. Digest of their addresses follow.

E. C. GILL, vice-president and general manager, Canada Life Assurance Co.

Inflated prices have now reached a point where they have become our most pressing national economic problem. Price inflation has been described as the condition when the number of dollars chasing goods and services is increased without a corresponding increase in the amount of goods and services available for purchase. This has happened on a world-wide scale. There can be no real solution without more and more production of goods and services.

But more production will solve the difficulty, only if efficiency of production is improved. While inflation hits everybody, its effect on the fixed income group is particularly unfair.

Interest rates on government bonds in 1945 ranged from 2½% in the United States to 3% in Canada and the United Kingdom. But during 1946 and 1947 the highest yield was about 2¼% in the U. K. and the U. S. and only slightly over 2½% in Canada. It is reasonable to assume that interest rates have dropped too low when they penalized unduly all the thrifty elements in the community, life insurance policyholders, pensioners, annuitants. Ultra low interest rates contribute to the inflationary forces increasing the price levels today. If interest rates were more attractive, much of the surplus purchasing power now pushing prices upward would be diverted to investment and savings. Fortunately a reversal in the interest rate trend was indicated at the end of 1947.

In the United Kingdom, rates are back approximately to the point where the war was financed. In the United States they are already back to the same point, in Canada not yet quite all the way back. When all three countries do get back to the point at which they financed the war, we will still be in a period of cheap money but at least we will have avoided the inherent dangers that existed in the trend of interest rates in the two years following the war.

We have continued our efforts to assist in solving the housing problem. There is still a very definite shortage of housing accommodation in many municipalities which has been accentuated by rising prices. There has been a tendency to increase the amount of money loaned against these houses and to extend the period allowed for repayment. Care must be taken, however, not to allow prospective purchasers to load themselves with debts which in the future may be beyond their capacity to repay.

• • •

J. W. HOBBS, president Continental Life Insurance Co.

It is to be hoped the decline in interest rates is now arrested. The incentive to save money must be re-established. That incentive can only be created by higher interest earnings. The excessive taxation imposed by the necessities of war should be substantially reduced. Hosts of individuals and companies were left with minimum incomes, provisions for contractual obligations were ignored.

There is one flagrant tax fraud being perpetrated on the charitable public. Millions of dollars are given yearly to philanthropic purposes, with the knowledge that such gifts can be deducted from income and thus not taxed. What the suffering public does not know is that for three years before death of the donor for the Federal Government, and five years before for the provincial government, the gifts are added to the value of the deceased's Estate, and the succession duty rate is fixed by the augmented amount, although the gifts themselves are not taxed. Thus the value of an estate for taxation purposes might readily be increased by 50%, and the taxation on the estate might be substantially more than the exemption claimed under the Income Act. This would appear to constitute deception on the public, but the rapacity of the tax collector is insatiable.

Multiple succession duties, and multiple taxation, on the same assets approaches confiscation. There is also a strange confusion as to what constitutes a luxury. A common clock, which usually is regarded as a prime necessity, pays the super luxury tax. The result of all this remote control management is very hampering to trade and industry. By reason of increased costs of raw materials, wages, taxes, and all other incidental expenses, to properly carry on we may now expect industry will go into debt to get sufficient funds to operate, due to these increased costs and increasing volume of sales. Many large corporations are going into the public money market to get sufficient money beyond bank credits in order to properly function. Basic taxes of nearly 40% are extortionary and no business can long survive such a toll except by making the tax part of the cost and hence further increases in the spiral of inflation.

It is vital that Canada undertake a large immigration program. A great many economic and political problems would disappear if our population were more widely distributed and not such a great proportion living in the two central provinces.

• • •

NORMAN S. ROBERTSON, president North American Life Assurance Co.

We cannot rely on restrictions, controls, subsidies, or other currently fashionable nostrums for a permanent remedy for inflation and existing shortages of U. S. dollars. Solution of our economic problems, present and future, require more than "smart moves" by government agencies. Most if not all of our problems can be solved by hard work and by permitting the natural laws of supply and demand, and other basic principles of trade to operate on a local and worldwide basis. If these principles are neglected, our immediate economic problems will remain unsolved and some desirable long-term targets missed.

During the war, we accepted controls, directives, subsidies and all the instruments of a planned economy. We became accustomed to having our lives regimented and planned so that we seem to have become planning minded. I suggest we have better promises of healthy economic life if we rely on our own resourcefulness and industry. Interference doesn't stop the operation of the laws of supply and demand or practical principles of trade. Perhaps then we should endeavor to abandon the habit, we seem to have acquired of relying on government-sponsored plans to solve our problems.

Otherwise, we will drift into the kind of economy, the Communists and other fellow travellers press us to adopt. In Russia we have an example of 30 years of completely planned economy. Figures of prices in Moscow on Dec. 15 as reported by the Associated Press and related to U. S. prices on the basis of food prices in A. & P. food stores and clothing prices in the Sears-Roebuck catalogue indicate how many times the time cost (in hours and minutes) of producing certain articles in Russia is of the time cost in the United States as follows:

	Cost in hours in Soviet Union is following times cost in U. S.
Wheat bread, 1 lb.	9
Sugar, lump, 1 lb.	28
Butter, 1 lb.	13
Salt, 1 lb.	6
Milk, 1 qt.	8
Eggs, 1 doz.	8
Tea, 1 lb.	17
Coffee, 1 lb.	38
Ice cream, 1 qt.	12
Toilet soap, 1 bar	18
Laundry soap, 1 bar	26
Cigarettes (20)	14
Woman's cotton dress, 1	13
Man's worsted suit, 1	20
Man's shoes, 1 pr.	14
Woman's shoes, 1 pr.	38

This shows the buying power of work in the two countries.

Increased immigration is gratifying. A point to remember is that over the years, growth of the United States in wealth and world importance paralleled its growth in population.

I am hopeful that announced governmental efforts to increase our trade with the United States will be intensified and maintained. Our natural trade routes run north and south. Greater north and south trade would cure our present foreign exchange problems.

B. C. Suspends Powers Of Two Health Groups

From Our Own Correspondent

VICTORIA — Two health and accident benefit groups, both with head offices in Vancouver had all their powers suspended by Attorney-General Gordon S. Wismer last week. This makes three groups the province has signed orders against in the past month.

Affected this time were the West Coast Health & Accident Society, and the Citizens Health & Accident Association. A report by John C. Oswald, Vancouver chartered accountant, acting for the province, ruled both groups insolvent.

First group to feel the weight of the province's action was Union Health & Accident Association of Vancouver, which went into liquidation after its powers were suspended.

Mr. Oswald reported that Citizens Health & Accident Association had an excess of current liabilities over assets of $8,277, and an overall deficit in assets of $6,969. Membership was shown at 1,138.

The West Coast group, according to Mr. Oswald, had a deficiency in assets of $8,947.68, and a membership of 1,250.

Efforts to Amalgamate

Although no consent had been granted by the registrar of companies, Mr. Oswald referred to efforts toward amalgamation of the two groups. Since October, both had been managed by Leon Jampolsky, 553 Granville St.

Of the Citizens' Health Group, Mr. Oswald commented: "In the current liabilities will be seen the advance of $5,800 from the West Coast society to be 'earmarked' for anticipated claims of former members of the latter, now members of this association. This amount, instead of being dealt with in the manner intimated to me by Mr. Jampolsky during my investigation into the affairs of the West Coast Society, was merely used to bolster the flagging finances of the association. Of the total amount $5,400 went into the checking account of the association and $400 was used by Mr. Jampolsky for personal purposes."

COMPANY REPORTS

MONARCH LIFE ASSURANCE CO. reports new business written in 1947 at a record high level at $23.3 millions, with insurance in force on Dec. 31 at $128 millions, up 50% from a little more than three years ago.

New life insurance and annuities showed a gain of 5.1%, the gain in business in force being 13.6%. Total receipts were higher and out of the $4.8 millions total, almost $1.5 millions was paid out to living policyholders and beneficiaries, with $1.9 millions transferred to increase policy reserves.

The annual report states that the average rate of interest earned on invested assets was 4.26%, lowest on record (4.71% in 1946). To guard against the downward trend in interest rates, policy reserves have been strengthened. Reserves against business written since 1942 have been set up on a basis assuming future interest earnings of 3% or less. On much of the business prior to 1943, reserves are on a basis of 3½%. In addition, a special reserve of $1,075,000 has been built up over the last three years for future obligations, which is more than the amount estimated as necessary to provide adequate reserves if all business were on a 3% basis.

	1947 $	1946 $
Insurance in force	128,045,000	112,725,763
New insurance	23,328,876	22,205,203
Total receipts	4,799,727	4,780,681
Prem. income	3,081,799	3,099,063
Int. divds.	1,717,927	1,681,618
Policy payments	1,481,937	1,465,673
Inc. in policy res.	1,956,843	1,965,621
Divds. to sh'holders	33,199	27,511
Liabs. to pol'hldrs. inc. actuarial reserves	25,078,458	23,017,195
Prov. for pol. divds.	460,000	443,000
Liabs. to sh'holders	406,579	407,652
Other liabs.	123,797	140,297
Reserves	1,600,000	1,550,000
Total assets	28,853,070	26,601,621
Surplus	1,184,236	1,043,475
Int. earned	4.26%	4.71%

CANADA IRON FOUNDRIES advises that 419,086 common and 26,326 preferred shares were outstanding Jan. 20.

MONTREAL REFRIGERATOR & STORAGE has advised the Montreal Curb Market that 11,895 5% cumulative first preferred shares are outstanding.

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WALTER F. SMITH has been elected vice-president and member of the board of the Continental Life Insurance Co.

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The 67th annual report of our stewardship to the policyowners of this Mutual Company, and to prospective clients, shows that the Company again had a good year. Here are the 1947 highlights:

Premiums paid to us by policyowners	$12,971,392
Payments by us to policyowners and beneficiaries	$6,314,354
Increase in our reserves under policies in force	$6,854,571
Total liabilities to policyowners	$103,792,069
Special reserves and surplus funds	$6,681,316
Total assets	$112,984,061

If you wish a copy of the full Report for 1947, please call or write your agent.

NORTH AMERICAN LIFE
A MUTUAL COMPANY
HEAD OFFICE, TORONTO

STRENGTH THROUGH SERVICE

FORTY-SECOND ANNUAL REPORT

	1946	1947
NEW BUSINESS	$ 22,205,203.00	$ 23,328,876.00
BUSINESS IN FORCE	$112,725,763.00	$128,044,836.00

BALANCE SHEET (December 31st)

	1946	1947
ASSETS:		
Bonds and Debentures	$ 17,069,639.87	$ 18,865,737.22
Preferred Stocks	$ 5,247,195.69	$ 5,657,156.39
Common Stocks	$ 1,278,526.38	$ 1,314,507.49
In both years Authorized Market Values exceed Book Values by Substantial Amounts.		
Mortgages and Real Estate	$ 1,110,281.27	$ 946,633.48
Loans on Policies	$ 1,250,110.51	$ 1,331,878.00
Cash in Banks and on Hand	$ 242,763.62	$ 279,342.82
Other Assets	$ 403,103.89	$ 457,814.98
TOTAL ASSETS	$ 26,601,621.23	$ 28,853,070.38
LIABILITIES:		
Policy Reserves	$ 20,684,453.00	$ 22,587,138.00
Policy Claims Awaiting Proof	$ 173,271.52	$ 127,690.18
Policyholders Funds	$ 1,887,637.33	$ 2,068,369.48
Staff Pension and Insurance Fund	$ 271,833.91	$ 295,260.33
All Other Obligations	$ 140,297.60	$ 123,797.22
	$ 23,157,493.36	$ 25,202,255.21
Additional Funds for Protection of Policyholders and Beneficiaries		
Accrued Profits to Policyholders	$ 443,000.00	$ 460,000.00
Capital and Shareholders' Account	$ 407,652.78	$ 406,579.37
Reserve for Unreported Policy Claims	$ 50,000.00	$ 100,000.00
Unallocated Investment Reserve	$ 1,000,000.00	$ 1,000,000.00
Contingency Reserve	$ 500,000.00	$ 500,000.00
Surplus above Reserves	$ 1,043,475.09	$ 1,184,235.80
	$ 3,444,127.87	$ 3,650,815.17
TOTAL LIABILITIES	$ 26,601,621.23	$ 28,853,070.38

G. C. CUMMING, General Manager — E. J. TARR, President

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Payments By Cheque Set Record in 1947

Gains Shown in All Areas for 12 Months and for December Reflecting High Level of Business and Employment

Canadian payments by cheques in 1947 totalled $74.5 billions, exceeding the previous 1946 record by 7.6%. Each of the five economic areas showed gains for the year, the greatest being 21.8% in British Columbia. Other gains were: Maritimes 9.1%; Quebec 10.5%; Ontario 0.1%; Prairies 15.5%.

Factors in the increase were business activity in all areas and the high levels of employment and wages.

Of the 33 clearing house centres, 32 showed increases for the year. Ottawa, where the only drop occurred, was affected by the decline in government transactions which reduced the number and volume of cheques cashed. Ontario's total was higher than in 1946 but slightly below the 1945 record for the province.

Quebec reached a new high, 130% over 1938. Chatham, Ont., showed a gain of 31.8% over 1946, the greatest percentage increase for any city in Canada. It was closely followed by Regina and Medicine Hat.

Cheques cashed in December were 14.8% higher than in December, 1946, with increases in all areas: Maritimes up 17.5%; Quebec 18.3%; Ontario 4.9%; Prairies 28%; British Columbia 28.7%. Figures for December and the year with comparisons, follow.

CHEQUES CASHED IN CANADA
For 12 Months in Millions of $

	1947	1946	% of '47 to 1946
Maritimes:			
Halifax	932.8	870.7	107.1
Moncton	310.4	276.7	112.2
Saint John	507.4	456.6	111.1
Total	1,750.6	1,604.0	109.1
Quebec:			
Montreal	20,611.4	18,828.2	109.4
Quebec	2,077.8	1,722.5	120.6
Sherbrooke	230.8	198.6	116.2
Total	22,919.9	20,749.3	110.5
Ontario:			
Brantford	321.2	269.7	119.1
Chatham	244.6	185.6	131.8
Fort William	209.6	185.1	113.2
Hamilton	1,735.1	1,460.4	118.8
Kingston	213.9	205.6	104.0
Kitchener	435.6	363.6	119.8
London	1,013.2	871.6	116.2
Ottawa	3,919.7	5,170.4	75.8
Peterborough	231.7	197.3	117.4
St. Catharines	307.9	253.8	121.3
Sarnia	267.2	244.7	109.2
Sudbury	191.8	153.4	125.1
Toronto	20,210.6	19,907.0	101.5
Windsor	1,131.6	933.5	121.2
Total	30,433.9	30,401.9	100.1
Prairies:			
Brandon	114.4	104.1	109.8
Calgary	1,779.4	1,602.0	111.1
Edmonton	1,313.1	1,213.2	108.2
Lethbridge	168.9	146.9	115.0
Medicine Hat	98.2	74.8	131.3
Moose Jaw	207.7	185.8	111.7
Prince Albert	108.8	104.8	103.7
Regina	1,286.9	977.2	131.7
Saskatoon	394.9	349.2	113.1
Winnipeg	7,381.4	6,366.4	115.9
Total	12,853.7	11,124.7	115.5
British Columbia:			
New W'minster	289.1	226.1	127.8
Vancouver	5,321.1	4,354.2	122.2
Victoria	929.6	787.3	118.1
Total	6,539.9	5,367.6	121.8
Total for Canada	74,498.1	69,247.6	107.6

CHEQUES CASHED IN CANADA
(Millions of $)

	Dec. 1947	Nov. 1947	Dec. 1946
Maritimes:			
Halifax	86.1	87.2	72.3
Moncton	30.0	28.7	27.0
Saint John	48.0	41.6	40.3
Total	164.1	157.5	139.6
Quebec:			
Montreal	1,786.9	1,708.3	1,516.7
Quebec	199.2	227.8	162.2
Sherbrooke	22.2	20.9	18.7
Total	2,008.4	1,957.0	1,697.6
Ontario:			
Brantford	29.8	28.0	23.0
Chatham	26.9	24.4	21.7
Fort William	20.2	19.8	19.6
Hamilton	162.6	158.4	138.7
Kingston	20.7	19.2	20.9
Kitchener	43.0	41.8	33.2
London	91.6	89.8	74.6
Ottawa	346.9	328.4	496.9
Peterborough	22.5	19.6	19.2
St. Catharines	30.2	29.0	23.0
Sarnia	25.9	24.4	25.4
Sudbury	19.0	18.6	14.7
Toronto	1,826.8	1,829.5	1,649.1
Windsor	106.1	106.4	82.4
Total	2,772.2	2,737.0	2,642.3
Prairie Provinces			
Brandon	11.4	11.4	8.8
Calgary	165.6	150.5	145.1
Edmonton	145.1	103.3	107.8
Lethbridge	13.0	14.3	13.2
Medicine Hat	8.6	10.0	6.3
Moose Jaw	20.0	20.7	15.7
Prince Albert	10.8	9.8	10.4
Regina	107.5	164.4	82.2
Saskatoon	39.1	36.8	31.6
Winnipeg	724.0	835.7	551.9
Total	1,245.2	1,356.7	972.9
British Columbia:			
New W'minster	35.0	25.8	20.6
Vancouver	492.8	438.2	397.4
Victoria	93.3	101.8	64.8
Total	621.1	565.8	482.8
Total for Canada	6,811.1	6,774.1	5,935.2

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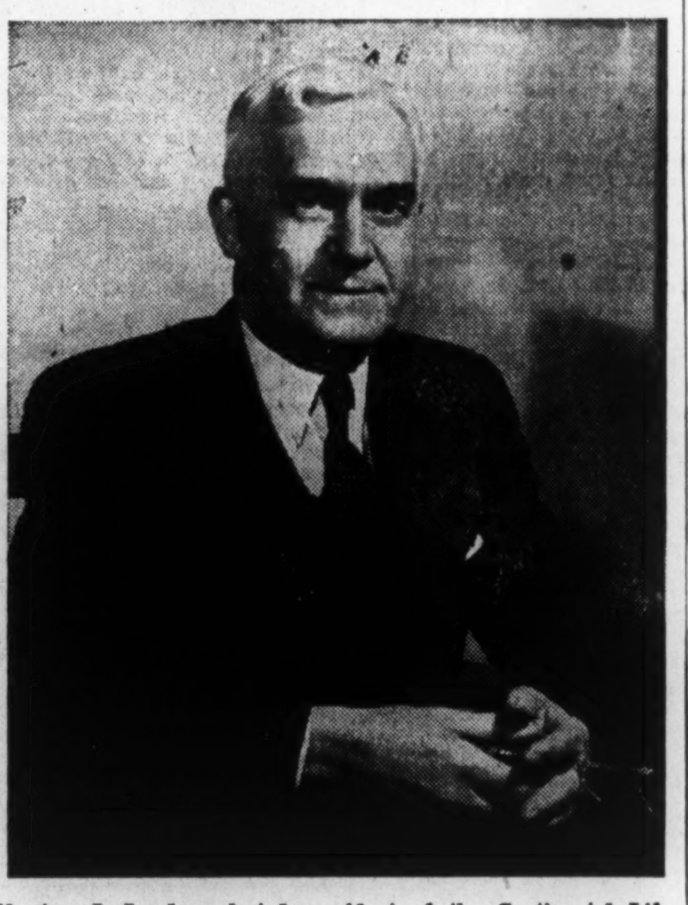

Newton J. Lander, elected president of the Continental Life Insurance Co. last week, was the company's first employee, joining the staff on its organization in 1899 as a clerk. Moving up through the offices of chief accountant, secretary and managing-director he has been vice-president since 1942. As president, he succeeds J. W. Hobbs, who becomes chairman of the board. A native of Durham County, Ontario, Mr. Lander is a past president of the Canadian Life Insurance Officers Association and of the Life Insurance Institute of Canada; is a member of the National Club of Toronto and the Toronto Hunt Club; plays a fair game of golf and is active in church and welfare work.

Pulp, Paper Output High "But Could Do Better"

MONTREAL (Staff) — In a "carrot and stick" speech Canadian Pulp and Paper Association President Robert M. Fowler last week gave Association members and Canadians generally some important facts to mull over. The "carrot" was provided by his pat-on-the-back for 1947 pulp and paper production figures. Gross value was approximately $700 millions, of which about $530 millions went to the export market. At the same time, the president prodded the industry in the general direction of (a) more research (b) a more vigorous defense of the economic and political system which made the industry's growth possible, (c) more diversified production.

Increases in the dollar value of production are possibly misleading, Mr. Fowler stated, by obscuring the fact that there has been also a great increase in the material volume of production. In 1946, gross production was slightly over seven million tons; in 1947 it was close to 7.7 million tons, an increase of nearly 10%.

Dividends 3.9%

To answer arguments that pulp and paper companies were now "rolling in money" as a result of record production and high prices, President Fowler produced figures showing what happened to the pulp and paper income dollar. On the basis of figures supplied by 12 companies representing 60% of the total industry production and $400 millions total income, here are the results given by Mr. Fowler:

Expenditures		
Labor (direct)	$	19.2
Materials		15.5
Wood		28.5
Power and fuel		07.9
Taxes		12
Depreciation		04.8
Bond interest		01.5
Retained		
Surplus		06.7
Dividends		03.9
	$	1.00

Mr. Fowler observed that the retained surplus is for protection of all partners in the business — shareholders, employees, and incidentally customers and suppliers. For the shareholder, it may prevent a cut in the dividend rate when the business weather becomes less favorable; for the worker, it is available to minimize wage cuts and to avoid the shipwreck of his job.

"Could Do Better"

In addition to presenting the bright side of the pulp and paper picture, Mr. Fowler said the industry could do still better. Here are some improvements he suggested:

● "Each individual company can utilize the Association's services fully in its own operations or can largely ignore them. I have the feeling that in many cases full utilization of these services is not made . . . new studies are conducted by the Technical or Woodlands Sections and valuable developments occur, but they are slow in being translated into individual company practice.

● "In this industry, nearly all the fundamental research being done is conducted at the Pulp and Paper Research Institute; to which, until this year, an industry producing $700 millions worth of products has contributed $50,000 a year and now is contributing $100,000 or one seventieth of 1% of the annual turnover. I hope we can move quickly to . . . more extensive fundamental research . . . greatly increased application to practical results in the individual mills.

● A number of types of products not made in Canada, are now on the list of import prohibitions; many are of a kind that . . . could be produced by our mills.

● "I believe exports must be expanded and this industry must take its part . . . by increasing the volume of commodities exported . . . moving into international trade in commodities now largely produced for the domestic market.

Vancouver S.E. '47 Vol. Down

Volume of trading on the Vancouver Stock Exchange in 1947 showed 19,962,470 shares being traded with a total value of $9,926,288, Sir Stephen Lennard, retiring president, stated at the annual meeting last week.

"Had it not been for the sensational developments in the Leduc oil field, we should have enjoyed a very poor year," he added, pointing out that fear in the minds of many investors, together with increasing costs in the gold mining industry, and lack of material aid or tax relief from the Government, had had its effect on the volume of shares traded.

Trading volume shows as follows:

	Shares	Volume $
Mines	9,351,795	4,155,739
Oils	10,333,228	4,837,880
Industrials	277,447	932,669
	19,962,470	9,926,288

The mines show a drop of 10 million shares and $6 million in value, from 1946. Industrials show a 20% increase in shares traded and a 15% increase in dollar value. On the other hand, oils have increased from 2.5 million shares in 1946 to over 10 million in 1947, while the value of $4.8 million for 1947 compares with $1.4 million in 1946.

The most active traders in 1947 were:

	Shares	Value
MINES		
Salmon	2,168,426	$545,252
Congress	941,198	61,916
Dentonia	812,350	118,503
Premier Border	446,705	24,738
Hedley Mascot	434,530	477,633
MINES—HIGHEST VALUE		
Pioneer	173,364	$669,922
Bralorne	57,108	665,672
Salmon	2,168,426	545,252
Hedley Mascot	434,530	477,633
Cariboo	86,915	231,604
OILS		
Royal Canadian	2,160,763	$246,588
Mercury	1,306,730	218,552
McLeod	965,714	90,171
Anaconda	641,368	62,167
Okalta	601,066	738,177
OILS—HIGHEST VALUE		
Home Oil	265,752	$1,104,390
Okalta	601,066	738,177
C. & E. Corp.	175,559	465,384
Pacific Pete.	349,520	349,864
Globe	577,324	325,173

Total dollar value in 1947 was practically the same as in the last prewar year (1938) but the number of shares traded was almost 10 million less, Sir Stephen points out.

Directors elected were M. D. McCarthy, president; P. A. Wootten, vice-president; R. K. Farris, hon. secretary; J. H. Lamprey, hon. treasurer; F. E. Hall; A. E. Jukes; D. F. MacKenzie; Sir S. H. Lennard and A. N. Wolverton.

ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter 1727)
Head Office:
EDINBURGH
Branches throughout Scotland
LONDON OFFICES:
3 Bishopsgate, E.C.2
8 West Smithfield, E.C.1
49 Charing Cross, S.W.1
Burlington Gardens, W.1
64 New Bond Street, W.1
Complete Banking Facilities
Associated Banks
Glyn Mills & Co.
Williams Deacon's Bank Ltd.

IN MONTREAL

Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

Staff Changes

The Bank of Nova Scotia announces the following staff changes.

R. A. S. ELLIOT, to be secretary to the board of directors, Halifax.

T. J. BOURKE, to be manager, Maxville, Ont.

J. LIDDELL, to be acting manager, Winnipegosis, Man.

A. RIDEOUT, to be assistant manager, Park & Fairmount, Montreal.

P. C. SMITH, to be accountant, Hawkesbury, Ont.

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The Royal Bank of Canada announces the following staff changes.

W. ROJAS, accountant, Havana, Cuba, to be manager, Sancti Spiritus, Cuba.

J. E. SIMMONS, accountant, Woodbine & Danforth, Toronto, to be manager, Long Branch, Ont.

D. W. BOYNTON, accountant, Walkerville, Ont., to be manager, Tecumseh & Albert, Windsor, Ont.

J. M. G. C. TEY, to be accountant, Havana.

R. D. HATCH, supervisor's department, Havana, Cuba, to be assistant manager, Avenida de Italia 407, Havana, Cuba.

J. F. R. PARADIS, assistant accountant, Papineau Ave., Montreal, to be accountant, Thetford Mines, Que.

W. B. SMITH, Flin Flon, Man., to be accountant, The Pas, Manitoba.

J. W. McINTYRE, assistant accountant, Ouellette & Ellis, Windsor, Ont., to be accountant, Walkerville, Ont.

F. E. WATSON, assistant manager, London, England, retires.

MERCHANTS and manufacturers interested in importing from Australia may order a free copy of this informative booklet from their bankers or direct from:—

BANK OF NEW SOUTH WALES
British & Foreign Department, Sydney, Australia

Tea and coffee are in the "necessity" class in almost every Canadian home . . . they are purchased regularly by every Canadian housewife and consumed by people in every walk of life.

Almost without exception every adult Canadian is a regular consumer. Consumption goes on day in and day out . . . year after year . . . in good times or bad . . . peace or war . . . winter and summer. The regularity of consumption of tea and coffee is interesting, the volume amazing . . . last year in Canada over 100,000,000 pounds.

The regularity of consumption provides a stable volume of business for the industry and a sound background for conservative investment in well established companies.

Most Canadians either know of or use RED ROSE TEA or RED ROSE COFFEE. They are products of T. H. Estabrooks Co. Limited . . . in business successfully for over 50 years. Our opinion is that the Company's new preferred shares offer a sound outlet for investment funds. Information about the Company and its preferred shares may be obtained through any of our offices or representatives.

A. E. Ames & Co.
Limited
TORONTO MONTREAL WINNIPEG VANCOUVER VICTORIA
LONDON, ENG.

What's in this Annual Report to Interest me?

". . . our Company at the present time is in the strongest position in its history."
—President E. G. BAKER
101st ANNUAL MEETING

1947 was a great year for Canada Life policyholders.

Our field representatives arranged more new protection for people in all walks of life than in any previous year.

Living policyholders received an average of about $60,000 every working day.

Here are some additional highlights of the year's operations:

Insurance in Force (excluding Annuities)	$1,096,877,362
New Insurance (excluding Annuities)	119,322,359
Gain in Insurance in Force	94,746,608
Total Assets	367,448,771
Gain in Assets	17,700,193
Paid to policyholders and beneficiaries	24,552,867
Interest earned	3.81%

A summary of the 1947 results will be mailed to all policyholders.

THE CANADA LIFE ASSURANCE COMPANY
A MODERN COMPANY — OVER A CENTURY OLD

DIVIDEND NOTICES

BANK OF MONTREAL

ESTABLISHED 1817
DIVIDEND NO. 330

NOTICE is hereby given that a DIVIDEND of TWENTY CENTS per share upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after MONDAY, the FIRST day of MARCH next, to Shareholders of record at close of business on 31st January, 1948.

By Order of the Board,
GORDON R. BALL,
General Manager.

Montreal, 13th January, 1948.

British Columbia Packers Limited

NOTICE IS HEREBY GIVEN that the Directors of British Columbia Packers Limited have declared a dividend of 37½c. per share on its Convertible Non-redeemable Class "A" Shares, payable on March 15, 1948, to shareholders of record at the close of business on February 28, 1948.

NOTICE IS HEREBY ALSO GIVEN that the Directors of British Columbia Packers Limited have declared a dividend of 13c. per share on its Class "B" Shares, payable on March 15, 1948, to shareholders of record at the close of business on February 28, 1948.

NOTICE IS HEREBY ALSO GIVEN that the Company's Register of Transfers maintained at the office of The Canada Trust Company, in the City of Vancouver, B.C., and the Company's branch Registers of Transfers maintained respectively at the office of The Canada Trust Company in the City of Toronto and at the office of Chartered Trust and Executor Company in the City of Montreal will be closed from and including the 1st day of March to and including the 7th day of March, 1948.

DATED at Vancouver, B.C., this 28th day of January, 1948.

BY ORDER OF THE BOARD,
A. HAMILTON,
Secretary.

SIMON'S HAVANAS

H. SIMON & SONS LIMITED

DIVIDEND NOTICE

A Dividend of $1.25 per share has been declared upon the outstanding 5% Cumulative Redeemable Preferred Stock of H. SIMON & SONS LIMITED for the period of 1st December, 1947, to 29th February, 1948, inclusive, said dividend to be payable 1st March, 1948, to shareholders of record at the closing of business on the 4th February, 1948; also a regular dividend of 30c per share has been declared upon the outstanding No Par Value Common Stock of H. SIMON & SONS LIMITED for the period of 1st December, 1947, to 29th February, 1948, inclusive, said dividend to be payable 1st March, 1948, to shareholders of record at the closing of business on the 4th February, 1948.

By Order of the Board.
H. A. SIMON,
Secretary.

Montreal,
30th January, 1948.

Woods Manufacturing Company, Limited

Notice is hereby given that a quarterly dividend of Fifty Cents (50c) per share on the No Par Value Common Shares of the Company has been declared for the quarter ending March 31st, 1948, payable March 31st, 1948, to shareholders of record February 28th, 1948.

By Order of the Board.
R. E. LEWIS,
Secretary-Treasurer.

Montreal, January 29th, 1948.

DONOHUE BROTHERS LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of $0.25 per share has been declared on the ordinary shares of the Company for the quarter ending 29th February, 1948.

The said dividend will be payable on 1st March, 1948, to shareholders on record as at the close of business on 15th February, 1948.

By Order of the Board.
A. EMILE BEAUVAIS, C.A.,
Secretary.

Photo Engravers & Electrotypers Limited

DIVIDEND NO. 46

NOTICE is hereby given that a Dividend of Seventy-five cents (75c) per share, plus a bonus of Seventy-five cents (75c) per share, on the outstanding no par value shares of the Company has been declared payable March 1st, 1948, to Shareholders of record at the close of business on February 14th, 1948. The Transfer Books will not be closed.

By Order of the Board.
JAMES RICHARDS,
Secretary-Treasurer.

Toronto, Ont., January 29, 1948.

Robinson, Little & Company, Limited

WINNIPEG, MANITOBA

Class "A" Shares — Dividend No. 5

Notice is hereby given that a dividend of twenty-five cents (25c) per share on the Class "A" shares of the Company has been declared payable on 1st March, 1948, to holders of record at the close of business on the 14th day of February, 1948.

By Order of the Board,
HERBERT J. SADLER,
Secretary-Treasurer.

Dated at Winnipeg, Manitoba,
February 2nd, 1948.

Federal Grain, Limited

DIVIDEND NOTICE

NOTICE IS HEREBY given that a Dividend of $5.00 per share on the 6½% Cumulative Redeemable Preference Shares of the Company, on account of arrears of Dividends, has been declared, payable March 1, 1948, to shareholders of record at the close of business February 16, 1948.

The transfer books of the Company relating to the said Preference Shares will be closed from the close of business on February 16, 1948, until the close of business on March 1, 1948.

By Order of the Board.
A. R. STRACHAN,
Secretary.

Winnipeg, Manitoba,
January 27, 1948.

DIVIDEND NOTICES

AUNOR GOLD MINES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Five Cents (5c) per share, payable in Canadian funds, has been declared by the Directors of Aunor Gold Mines Limited, payable March 1st, 1948, to shareholders of record February 10th, 1948.

By Order of the Board.
J. R. BRADFIELD,
Secretary.

Toronto, Ontario,
January 30, 1948.

DONNACONA PAPER COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.125 per share has been declared on the Cumulative Convertible Redeemable Preferred Stock of the Company for the quarter ending May 15th, 1948, payable May 14th, 1948, to shareholders of record April 15th, 1948.

By Order of the Board.
P. L. FITZGERALD, C.G.A.,
Secretary.

Quebec City, P.Q.
January 29, 1948.

DONNACONA PAPER COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a regular dividend of fifty cents ($0.50) per share has been declared on the No Par Value Common Shares of the Company, for the six months ending December 31st, 1947, payable April 1st, 1948, to shareholders of record March 1st, 1948.

By Order of the Board.
P. L. FITZGERALD,
Secretary.

Quebec City, P.Q.
January 29, 1948.

Canadian Silk Products Corporation

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 37½c (Thirty-seven and One-half Cents) per share has been declared on the Class "A" Common Stock outstanding of this Corporation, payable on the 1st Day of April, 1948, to all Shareholders as of record at the close of business on March 1st, for the period ending March 31st, 1948.

By Order of the Board.
GORDON G. COOKE,
Secretary.

Montreal,
January 30th, 1948.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 1¾% has been declared on the Preferred shares of the Company, payable on March 1st, 1948, to shareholders of record at the close of business on February 2nd, 1948.

By Order of the Board,
D. A. MacINNES,
Secretary.

NOTICE IS HEREBY GIVEN that a dividend of 40c per share has been declared on the outstanding shares of the Common Stock of the Company, payable on March 1st, 1948, to shareholders of record at the close of business on February 2nd, 1948.

By Order of the Board,
D. A. MacINNES,
Secretary.

Imperial Tobacco Company of Canada, Limited

— DIVIDEND —

NOTICE IS HEREBY GIVEN THAT

A Final Dividend (No. 176) of Twenty cents (20c) per share on the paid-up Common Shares of the Company for the year ended 31st December, 1947, has been declared payable on Wednesday, the 31st day of March, 1948, to shareholders of record at the close of business on Tuesday, the 17th day of February, 1948.

An Interim Dividend (No. 177) of Ten cents (10c) per share on the paid-up Common Shares of the Company has been declared payable on Wednesday, the 31st day of March, 1948, to shareholders of record at the close of business on Tuesday, the 17th day of February, 1948.

A Semi-Annual Dividend (No. 72) of Three per cent (3%) on the paid-up 6% Preference Shares of the Company has been declared payable on Wednesday, the 31st day of March, 1948, to shareholders of record at the close of business on Tuesday, the 17th day of February, 1948.

By Order of the Board.
A. L. ROBERTSON,
Secretary.

Montreal, P.Q.
30th January, 1948.

Borden's

DIVIDEND No. 152

An interim dividend of sixty cents (60¢) per share has been declared on the capital stock of *The Borden Company*, payable March 1, 1948, to stockholders of record at the close of business February 11, 1948.

January 27, 1948
E. L. NOETZEL
Treasurer

Lake Shore Mines Limited

(No Personal Liability)
DIVIDEND NO. 112

NOTICE is hereby given that a dividend of Eighteen Cents per share on the issued capital stock of the Company, will be paid on the fifteenth day of March, 1948, to shareholders of record at the close of business on the fourteenth day of February, 1948.

By Order of the Board.
Kirkland Securities Limited,
Secretary.

Dated at Kirkland Lake, Ontario,
January 31st, 1948.

CANADIAN LOCOMOTIVE COMPANY LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of One Dollar regular plus one dollar and fifty cents extra per share has been declared out of the profits of the Company for the year 1947 on the outstanding common shares without nominal or par value, payable March 1st, 1948, to shareholders of record, February 12th, 1948.

By Order of the Board.
G. W. DALY,
Secretary-Treasurer.

Kingston, Ontario,
January 29th, 1948.

Industrial Growth in Canada

Northern Shoe

Northern Shoe Manufacturing, Winnipeg, builds new single-story factory at McDonald-Gomez intersection, about 8,100 sq. ft., concrete block, cost $30,000, spring completion. New plant provides for 25% increase in production capacity from present daily output of 400 pairs of shoes, with corresponding increase in employment.

• • •

Bloctube Controls

Bloctube Controls of Canada, Montreal, newly installed in 33,000 sq. ft. of rented space in the multiple tenancy Crown industrial building at 9,500 St. Lawrence Blvd. is completing tooling to add household electrical appliances to its established line of precision devices, with possible 20% increase in the working force of 135 at the old establishment.

• • •

Lionite Abrasives

Lionite Abrasives Ltd., Niagara Falls, Ont., seeks assurance of electric power supply for contemplated expansion. Proposed is a new separate unit at existing plant to make crude silicon carbide abrasive.

• • •

Ont. Truck Body

Ontario Truck Body, Newmarket, Ont., Eric K. Jackson, owner and manager, is new company which recently began production in 14,400 sq. ft. of rented space in former military drill hall. Makes White-Parish all-welded steel closed truck bodies, wooden stake racks, soft drink and brewery platform truck bodies.

• • •

Nat. Paper Goods

National Paper Goods, Hamilton, Ont., pushes construction of addition for July completion, one story and basement, 15,000 sq. ft., steel and tile, $125,000 for a 15% to 20% increase both in production capacity and employment. Makes stationery, envelopes, etc.

Toronto's Big Year

Seventeen new industrial developments for the Toronto area in 1947 were reviewed by President John A. Tory at last week's annual meeting of Toronto Industrial Commission. Prominent in the list: Atlas Asbestos, England, building materials; Admiral Corp., Chicago, radios and record changers; Duff-Norton Manufacturing, Pittsburgh, lifting jacks; J. & E. Hall Ltd., England, escalators and refrigerators; Mennen Co., Newark, toilet preparations; Parke, Davis, Detroit, pharmaceuticals; Peek, Frean, England, cakes and biscuits.

Year's sales of industrial land totalled 228 acres and many firms already established in the area were assisted by the Commission with new plant sites and expansion of existing factories.

Mr. Tory, in his address recommended that the City of Toronto provide, through the Harbor Commission a multiple-tenancy factory building as a means of securing a large number of small industries which can't be accommodated now for lack of space to rent.

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Int. Fertilizers

International Fertilizers, Quebec City, completes new plant in suburban Sillery providing about 100,000 sq. ft. of floor space to make Albatross granular and powdered mixed fertilizers for all crops. Plant has deep-water berth and private railway sidings.

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Hastings

Hastings Ltd., Toronto subsidiary of Hastings Manufacturing, of Hastings, Mich., F. H. Fox, Canadian manager, has walls going up on recently bought 2-acre Birchmount Rd. site in suburban Scarboro township for new 1 story, 9,000 sq. ft. steel and brick factory for spring completion; architect N. A. Armstrong; contractor Finley W. McLachlan Ltd. Hastings makes piston rings in rented-in-city quarters. At Colbrook, Ont., 15 miles northeast of Napanee, Ont., it also makes a "quick start" additive for automotive lubricating oil which it calls "Casite." In both of these manufacturing operations and their subsidiary warehousing facilities, Hastings has occupied about 5,500 sq. ft. of floor space and employed something over 35 people. It aims at 50% increase in both employment and floor space when both the piston ring and Casite divisions are co-ordinated in the new Scarboro (Toronto) plant.

• • •

Gerber (Canada)

Gerber Products (Canada), Toronto, is now being organized as affiliate of Gerber Products, Fremont, Mich. Toronto Industrial Commission announces purchase by Gerber of a factory building at 360 Dufferin St., in West Toronto, 2 stories, steel and brick, 10,000 sq. ft., to process and package infant cereal foods of wheat, oats, barley. With anticipated completion next spring of installation of equipment — including double-drum dryers, toasters, flakers, screeners — about 120 workers will be hired. R. A. McNair is president of Gerber (Canada).

• • •

Cunningham & Lee

Cunningham & Lee Ltd., Toronto, recently organized, builds small new factory at 55 Blake St., 1 story, steel and concrete block. On spring completion will fabricate brass, bronze, iron and stainless steel for railings, grilles, ornamental entrances for buildings.

• • •

Cober Elevator

Cober Elevator Manufacturing Toronto, buys existing 2-story west end plant with 20,000 sq. ft. of floor space; moves from downtown premises half that size. "Some" increase in employment is planned to expand the established Cober line of elevator and inclinator equipment, including freight and passenger elevators, dumb waiters, stair inclinators for residences and golf course incline elevators.

ODILON CREVIER

of Chicoutimi, has been elected to the board of commissioner censors of the Provincial Bank of Canada.

Reliance Sells 130 Elevators

From Our Own Correspondent

WINNIPEG — Reliance Grain Co., one of the West's largest elevator and grain exporting firms, has sold 130 of its country elevators and its 3.5 million bushel terminal elevator in Fort William to the United Grain Growers, Ltd., and Manitoba Pool Elevators.

The transaction with Manitoba Pool Elevators includes 20 elevators at shipping points in Manitoba, and the terminal at Fort William, for about $2 millions. The sale to the United Grain Growers includes 94 country elevators in Saskatchewan and 16 in Alberta, at an average of about $16,000 each.

Reliance, before the sales, had 259 elevators in the prairie provinces. It operates a feed processing plant at Portage la Prairie and has several feed stores in eastern Canada; also operates 168 coal sheds in small western towns. Part of its line elevator system was acquired in 1939, when it bought 101 elevators in Saskatchewan and Alberta from the North Star Grain Co.

New 'Peg Paper Due in March

From Our Own Correspondent

WINNIPEG — Winnipeg's new daily newspaper, The Citizen, will be published for the first time on March 1.

The publication is an outcrop of the printers' strike on the Winnipeg Free Press and the Winnipeg Tribune which started Nov. 8, 1945. Of its $150,000 initial capital, $70,000 has been raised by sale of 14,000 shares of $5 each. The balance of $80,000 is from loan units of $50 each, sold to shareholders of record and carrying 5% interest.

Promoters of the paper say it will start with a circulation of close to 25,000. The printing will be done by Universal Printers.

Appointment of J. F. Sweeney as general manager was announced several months ago. Mr. Sweeney was former general manager of the Regina Leader-Post, and more recently was associated with the British United Press. Other staff appointments are:

Managing editor — William H. Metcalfe, former senior news editor for CBC prairie, region.

News editor — H. W. Patterson, former assistant news editor of the Vancouver News-Herald.

City editor — Paul Molloy, Winnipeg, western manager of the British United Press bureau.

Columnist — Jean Hinds, CBC commentator.

Advertising manager — Albert E. Ford, former publishers' representative for the Canadian Daily Newspapers' Association.

Circulation manager — Wilfrid Joyce, former assistant circulation manager of the Winnipeg Free Press.

Former editor of the Regina Daily Star, Gordon Layton, later on the staff of the Calgary Albertan, has been engaged as an editorial writer.

THE TOURIST BUSINESS

How Will Austerity Affect Tourists? The Trends Are Not Too Bright for '48

Will tourist visitors from United States make any greater contribution to solving Canada's fiscal ills this year than in 1947?

Right now, some of Canada's tourist boosters feel they have a couple of strikes against them in any immediate attempt to better the 1947 "take."

In the first place, 1947 was the record year, far outstripping estimated tourist expenditures in 1929, the prewar record.

What about 1948? There's been some pretty sobering news during the last month. It comes from various parts of the country, but it all raises this question: "Are we giving our potential visitors the impressions of Canada that we desire to give?"

Here we have an "austerity" program which the hasty reader of U. S. newspapers may not fully understand. British Columbia is short of gasoline, may get even less. Our general price level has crept a bit closer to that prevailing in the United States. There are isolated, but by no means unanimous, reports that some Canadian resort operators need to "pull up their socks."

How much has "austerity" affected Canada's tourist trade?

The question is dealt with differently by various provincial, federal, and private spokesmen. The opinions vary from those who are critical of the whole program on the grounds that it is dollar-conserving rather than dollar-earning (with tourist promotion given as an example of the latter) to those who think no widespread damage has been inflicted by "the rumor-factory."

There are, however, more reliable indicators than the isolated suggestion that food parcels be sent to starving Canadians and the opportunity taken by the Chicago Tribune to headline a story. "Here's Advice If You Plan Canada Trip," containing the suggestion that the expedition is sufficiently complex to require advice.

Is This the Trend?

More substantial evidence is a decline in the number of U. S. motor vehicles entering Canada for 48 hours and more. "Austerity" was announced Nov. 17. Traveller's Vehicle Permits issued in November were down so slightly from November of 1946 (68,497 to 68,284) that it indicates nothing.

December is a better month, since the effect, if any, of austerity has had time to make itself felt. So far, only the figures for Ontario points of entry have been announced. They are: Dec., 1946; 20,930. Dec., 1947; 18,303. If the figures for points of entry in the other provinces have similarly declined, a trend is clearly marked.

By comparison, entries of U. S. cars for more than 48 hours had been running ahead of last year during most of the months earlier in the year. Dominion Bureau of Statistics' figures for the first 11 months of 1947, compared with 1946 show an 11.9% increase in T.V.P. entries (1,452,499 to 1,626,068). During the same period, Canadian vehicles staying abroad over 24 hours increased 27.5% from 160,420 to 204,577.

Real test will be the trend in TVP entries during the peak summer months of 1948. Meanwhile, that remains a matter for speculation— and apparently for argument.

Part of the argument over whether Ottawa is making it tougher to attract U. S. tourists here centres on the recent conduct of customs officials. Tom C. McCall, deputy minister of travel and publicity for Ontario, has been among those who claim that newcomers to the customs staff are "officious" in putting visitors through "extensive examinations." This is denied at Ottawa.

Out in Victoria, tourist officials are groaning over a statement by C. J. Horwood, president of the Victoria Branch, British Columbia Garage and Motor Trades Association, dealing with the gas famine which threatens that province:

"Assuming that all oil companies adopt a ration plan to dealers, we will endeavor to see trucks receive their requirements and regular customers with passenger vehicles in proportion to remaining supplies. Unfortunately, this will leave no gas for tourists and out-of-town cars."

Where Americans Want To Go?

The need for better accommodations at competitive prices is underscored by the results of a survey conducted by the New York Times. It sent an independent research organization to the International Travel Exposition in New York last May to find out where Americans want to go (within two years). Travel by Americans within the United States was not included.

The results showed Canada in first place with 29.1% wanting to come here within two years. It was followed by Europe with 21.1%; Central America, 15.6%; Caribbean Area, 11.6%; South America, 9.1%; Bermuda, 7.8%; Hawaii, 1.5%; Africa, 0.8%; Asia, 0.8%; Alaska, 0.7%; Newfoundland, 0.3%; Australia, 0.2%; World Cruise, 0.2%; Pacific Islands, 0.1%; and "Don't Know 1.1%.

The interviewers went on to ascertain the destinations of American tourists "after many countries will offer better accommodations and lower prices." The replies are hardly realistic, because the respondents were told that "money is no object." Yet tourist officials see an indirect lesson in these figures:

Canada had dropped to 4.9%. The others were Europe, 44.1%; South America, 18.7%; Central America, 6.9%; World Cruise, 4.5%; Hawaii, 4.2%; Caribbean Area, 3.9%; Asia, 3.5%; Bermuda, 2.9%; Alaska, 2%; Australia, 1.8%; Africa, 1.6%; Pacific Islands, 0.9%; Asia Minor, 0.3%.

No one should seriously expect such a decline in Canada's preferential position. It isn't true that all Americans who have the desire to go to Europe will go there after the last bit of rubble is cleared away and rationing is just a memory to Europeans. Many won't have the money to satisfy their desire. And South America, which ranks second, is too far away for most.

But the desires, purportedly shown by the survey, are important. They "bonus" the advertising promotion of many of Canada's tourist competitors. They teach Canadians that a healthy tourist trade isn't inevitable, that they must pay more attention to the "bill of fare" they are offering visitors.

DIVIDEND NOTICES

VIRGINIA DARE LIMITED

DIVIDEND NOTICE — PREFERENCE SHARES

A dividend of Thirty-one and One-quarter cents (31¼c) per share on the 5% Cumulative Redeemable Preference Shares of the Company has been declared for the three months ending March 1st, 1948, payable on March 1st, 1948, to Shareholders of record February 18, 1948.

By Order of the Board.
G. I. TAYLOR,
Secretary.

Toronto, January 19, 1948.

BRITISH COLUMBIA ELECTRIC COMPANY LIMITED

4% PREFERRED

Holders of Interim Share Warrants and Interim Registered Share Certificates may now obtain without cost Definitive Share Warrants and Definitive Registered Share Certificates by surrendering their present holdings

TO

MONTREAL TRUST COMPANY

Halifax, Montreal, Toronto, Winnipeg, Vancouver and Victoria.

Donnell & Mudge Limited

DIVIDEND NOTICE

Notice is hereby given that an initial quarterly dividend of 20c per share on the Common no par value Shares of the Company has been declared payable 1st April, 1948, to Shareholders of record at the close of business 10th March, 1948.

By Order of the Board,
H. C. DWYER,
Secretary.

Dated at New Toronto, Ontario,
22nd, January, 1948.

DIVIDEND NOTICES

Donnell & Mudge Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 25c per share on the Class "A" Shares of the Company has been declared for the quarter ending 31st March, 1948, payable 1st April, 1948, to Shareholders of record at the close of business 10th March, 1948.

By Order of the Board,
H. C. DWYER,
Secretary.

Dated at New Toronto, Ontario,
22nd, January, 1948.

BANK OF CANADA

	Jan. 28 1948	Jan. 21 1948
Liabilities	$	$
Capital paid-up..	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ. ..	1,158,929,783	1,168,232,031
Deposits: Dom. .	54,480,852	71,629,128
Chart. banks ..	547,983,575	543,074,655
Other	64,162,782	78,066,854
Total deposits ..	666,627,209	692,770,637
Liabs. payable in sterling, U.S.A. and for'n. gold currencies: Deposits	433,591	433,591
All other liabs. ..	29,908,797	26,978,211
Total liabs.	1,870,949,747	1,903,464,837
Assets		
Sterling & for'n exchange	433,591	433,591
Subsid. coin	229,195	203,595
Investments:		
Dom. govt. sh.	941,131,110	972,330,503
Oth. Dom. gov.	864,637,386	864,380,112
Other secs. ...	25,000,000	25,000,000
Total invest.	1,830,768,496	1,861,710,615
Premises	2,343,109	2,343,110
All other assets .	37,175,356	38,773,926
Total assets	1,870,949,747	1,903,464,837

JAMES RICHARDSON & SONS
LIMITED
Grain Merchants Shippers and Exporters
HEAD OFFICE WINNIPEG MANITOBA
OFFICES THROUGHOUT CANADA

WESTERN SAVINGS & LOAN ASSOCIATION
HEAD OFFICE, WINNIPEG
FIRST MORTGAGE LOANS
BRANCH OFFICES
Agency Building, Edmonton, Alta.
221 A-8th Ave., W., Calgary, Alta.
McCallum-Hill Building, Regina, Sask.
407 Avenue Building, Saskatoon, Sask.
1 Royal Bank Building, Brandon, Man.
ASSETS OVER $15,000,000.00

GRAIN MERCHANTS SHIPPERS AND EXPORTERS
LINSEED AND SOY OILS AND MEALS
TELCO
MASTER FEEDS
TORONTO ELEVATORS Limited

THE CANADIAN CONSOLIDATED GRAIN COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

PARRISH & HEIMBECKER LIMITED
Incorporated 1909
Grain Receivers Shippers and Exporters
HEAD OFFICE: WINNIPEG
BRANCH OFFICES:
MONTREAL TORONTO PORT ARTHUR CALGARY VANCOUVER
"An old-established firm with a reputation for doing business RIGHT."

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

Western Grain Co. Ltd.
WINNIPEG, CANADA
275 Country Elevators and Terminal Elevator at Fort William
SERVING THE PRODUCERS OF THE PRAIRIE PROVINCES
Shippers and Handlers of All Grains

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
436 COUNTRY ELEVATORS THROUGHOUT THE WEST
113 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

Grain Prices

Winnipeg Grain Futures

Week to Feb. 2, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close Feb. 2
		Oats			
.95⅛	.78⅛	May	.89¾	.87¾	.88⅛
.95⅛	.75⅛	July	.84⅝	.82⅛	.84⅛
.82⅞	.78	Oct.	.80¼	.73	.79⅝
		Barley			
1.36⅝	1.10	May	1.31¾	1.27¾	1.28⅛
1.31¾	1.07½	July	1.24¼	1.19⅝	1.20⅛
1.25¾	1.14½	Oct.	1.18	1.14½	1.14½
		Rye			
4.33	2.44½	May	4.30	4.00¾	4.26½
3.93½	3.10	July	3.85	3.56	3.80
3.05¼	2.57	Oct.	2.73	2.57	2.66⅛

Cash Quotations

	For Week Feb. 2 High	Low	Prev. Week High	Low
Oats				
2 C. W. ..	.97⅛	.94⅝	.97⅛	.93⅝
3 C. W. ..	.94⅝	.93⅛	.96⅝	.94
Barley				
1 Feed ..	1.27¼	1.22⅞	1.29⅝	1.26⅞
2 Feed ..	1.26¾	1.23⅝	1.29⅛	1.25⅞
Rye				
2 C. W. .	4.31⅛	4.00¾	4.42	4.20⅝

Tax Liability on Undistributed Income Not Clarified in Proposed New Act

What will be the effect of the abolition of discretionary powers on the Income Tax department at Ottawa?

What will be done, under the new Income Tax Act, with the problem of tax liability on undistributed income?

Will the Treasury Board retain its powers to rule on transactions it considers were made to avoid tax liability?

These were among the problems discussed by J. G. Glassco of Clarkson, Gordon & Co., in an address on the new Corporation Income Tax Act to the National Office Management Association last week. Here is a digest of the address dealing with these points:

BY J. G. GLASSCO

What about the probable effect upon the administration of the abolition of discretionary powers?

"Where in the past there has been plenty to complain of, there have been countless exercises of discretion in favor of the taxpayer which required the assumption of real responsibility by the administration. It may be that the changes which are now made will dispose the tax officials to take a more negative view and throw the responsibility for making a decision upon the Board of Tax Appeal. Frankly I think this is likely to happen and the only cure for it will be the development of a body of precedents and case law by the Appeal Board which will constitute a pattern for both the administration and the taxpayer. We may therefore go through several pretty confused years but when this pattern has been developed there should be a degree of uniformity which could never be reached under the old system.

What about the taxation of corporate income represented by undistributed surplus?

Our law in the first instance contained no provisions with respect to the withdrawal of earnings from corporations other than by dividend; there was no pattern of this sort in either the United States or the English law. Suddenly the taxpayers of Canada woke up to the fact that the way to escape the double taxation was to refrain from declaring dividends and when a tidy sum of profits had been accumulated, to wind the company up, recapitalize it, redeem the capital, borrow the funds or do something else to get the money into their hands without declaring a dividend. This led to the enactment of a whole series of preventive sections which in the present Act are numbers 13 to 20, which provided that when any of these things was done, the shareholder would be deemed to have received a dividend and be taxed accordingly.

It is fair to say that these preventive provisions have given more trouble in connection with corporate taxation than any other part of the law. They have been subject to widespread avoidance and their treatment in the new bill still leaves much to be desired.

There is a basic difficulty here which no legislation of a preventive nature can cure. So long as our economy is healthy, companies are going to expand by plowing back earnings. This means that in the course of time a substantial part, perhaps a preponderant part of the equity of successful corporations may be represented by what is called undistributed income. The Government has established a sort of tax lien over this undistributed income of a most severe nature and in time the liability becomes so great that it becomes in many cases difficult or impossible to deal effectively with a change of ownership.

It is this problem which Parliament attempted to cure first in 1930 as a pump priming measure by giving corporations a free run for two or three years to distribute their surplus without tax, and again recently, under what is known as the Ives Commission legislation where the same privilege was extended, although in circumscribed form upon the payment of a tax by the corporations running from 15% to 33%. It is inevitable that the problem will recur so long as our present double taxation of corporate income continues and I regard this as one of the most serious problems for the future.

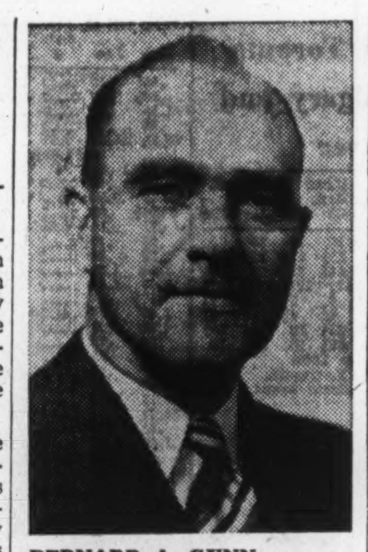
What about Section 32(A)?

You probably all know this section by name — it is the Government's biggest and best scarecrow and was introduced during the war to try and make taxpayers get on with the job of producing munitions and stop wasting time trying to save money on their tax bills. When Mr. Ilsley introduced the section which says, in effect, that the Government can do almost anything it likes, he admitted that it should have no place in a peacetime tax structure but the draftsmen of the new Act have apparently not been instructed to take it out and it is found in approximately the same form in section 108.

(Section 108 (1) states: "Where the Treasury Board has decided that the main purpose for which a transaction or transactions was or were effected whether before or after the coming into force of this act, was the avoidance or reduction of taxes that would otherwise have been payable under this act or the Income War Tax Act, the Treasury Board may give such directions as it considers appropriate to counteract the avoidance or reduction.")

I think if there is one thing that the public should protest, it is the continued inclusion in our tax law of such a vague and indefinite threat to the taxpayer. There can be no certainty in our law so long as this section exists and if it is not removed, I predict that it is going to work out in a very curious way.

The timid taxpayer, advised by his able but conservative solicitor, is going to refrain from doing things he wants to do and should be able to do because of the fear of attack; and that is going to stifle a considerable amount of legitimate business. The more cynical, better informed or perhaps less scrupulous taxpayer, is going to regard the section as an empty threat. He will say that the Treasury Board cannot possibly carry out the duties laid upon it by the section and that the section therefore is unworkable; he will therefore go ahead and do things which he is otherwise entitled to do. I suggest that in not one in 100 cases of obvious and objectionable evasion will section 108 operate to impose a punishment.



BERNARD A. GUNN

has been appointed secretary of the White Motor Co. of Canada.

Kimberly-Clark Changes Set-up For Canada

Edgerton S. Noble, for many years managing director of Spruce Falls Power & Paper Co., will henceforth devote his entire time to the various Kimberly-Clark Corp. activities in Canada, Cola G. Parker, president of Kimberly-Clark, announces.

A major purpose of the change is to provide over-all staff coordination in connection with the steady growth of the Kimberly-Clark activities in Canada, which now, through direct subsidiary and affiliated companies, include three mills, two modern towns, as well as administrative offices in several cities. Mr. Noble a vice-president of Kimberly-Clark Corp. of Canada will not confine his activities to that company alone, but will work closely with the executive management of the U. S. company.

Current employment in the company's Canadian activities approximates 3,000, excluding those employees in presently unfinished construction projects and the numerous camps and settlements of its woodland operations.

In replying to the appointment Mr. Parker states: "It represents a culminating effort on our part to solidify the various activities —from forest to product—which we have built up in Canada." Mr. Noble's headquarters will be in Toronto.

Guy McRae Minard has been named to succeed Mr. Noble as manager of the Spruce Falls mill and town operations at Kapuskasing, Charles H. Sage, vice-president of Kimberly-Clark and president of Spruce Falls, states.

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PERCY J. WOOD Vice-President
PHILIP B. TOLLER President
FREDERICK E. LAVIS Manager of Sales
D. M. COOLICAN Secretary

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Via the following lines
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CANADA CONTINENTAL LINE LTD. France—Belgium—Holland
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Protection FOR SMALL ESTATES
Every estate deserves the safety of Trust Company protection. The smaller your resources, the greater the need to ensure to your dependants the utmost benefit from what you leave.
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The Royal Trust Company administers estates of all sizes; ten thousand or ten hundred thousand; each receives the same experienced care and attention, security and low-cost administration.
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CORPORATE SECURITY — PERSONAL SERVICE
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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LONDON LIFE INSURANCE CO. reports $1.4 billions of life insurance in force on Dec. 31, a new high. New insurance issued during the year was also largest in the company's history at $207 millions. Total assets rose $21 millions and are now well over a quarter of a billion dollars, Vice-president and Managing-director R. H. Reid told the annual meeting. Quality of the investments is indicated by the fact that there are no bond accounts in default, no real estate in foreclosure, and no mortgage or sale agreements with interest in arrears for one year, practically an unprecedented situation, Mr. Reid added.

For the first time in many years, there has been no increase in the company's holdings of Dominion Government bonds. J. D. Buchanan, assistant general manager and chief actuary, stated that a mortality investigation of the company's policies, interrupted by the war, but completed last year, indicated that mortality of persons insured in the London Life, 1920-44, is lower than for any published table. The company writes accident and sickness insurance business in this branch increasing 35% over the year.

Important items in the life section of the annual report, with comparisons for 1946, follow:

	1947 $	1946 $
Insur. in force	1,429,582,990	1,281,101,444
New insurance	207,069,620	197,819,010
Total income	52,803,283	48,937,627
Premiums	34,534,921	32,570,108
Inv. income	8,629,518	8,343,270
Policy payments	19,805,323	18,986,927
Incr. in pol. res.	15,342,239	15,781,398
Sh'hldrs. divds.	373,496	100,000
Liabs. to P'hldrs. inc. actuarial res.	237,210,071	216,072,104
Liabs. to sh'hldrs.	843,268	822,511
Staff pens. fund	8,315,190	7,344,455
Other liabs.	869,439	1,011,309
Sp. reserves	11,829,706	11,982,614
Total assets	269,554,428	247,214,336
Surplus	10,486,752	9,981,343

CROWN LIFE INSURANCE CO. set new records in sales of new life insurance, insurance in force and total assets in 1947. Both policies in force and assets have nearly doubled in the last five years, President H. D. Burns stated in his annual address at the annual meeting.

Insurance in force on Dec. 31 totalled $541.9 millions. In addition single premium annuities were sold providing annual payments of $112,139. Single premium annuities in force provide annual payments of $727,242.

New insurance effected, including income bonds totalled $114.9 millions.

Total receipts at $24.5 millions were $1.5 millions higher. Premium income was up but investment income was slightly lower.

Of this amount, over $7 millions was paid out to policyholders and beneficiaries. The total number of Crown Life policies in force was stated by Mr. Burns to be over 200,000.

Total assets rose $11.2 millions to $102 millions. Of these 52½% is invested in government and municipal bonds, 11% in other bonds, 8½% in stocks, and 16% in mortgages. The mortgage holdings, during the year, were increased by $1.5 millions. Policy reserves at $83.4 millions are stated to be substantially higher than the minimum required by law.

Rate of interest earned on invested assets at 3.77%, was slightly lower than the 3.94% earned in 1946.

Important items in the report with comparisons follow.

	1947 $	1946 $
Insurance in force	541,872,892	465,424,118
New insurance	114,923,282	101,138,454
Total receipts	24,475,975	22,971,594
Premiums	18,638,736	16,704,747
Int. divds. rents.	3,707,159	3,846,238
Policy payments	7,032,224	6,472,276
Taxes, expenses	5,883,858	4,794,625
Sh. divds.	55,688	52,904
Pol'holders liabs. inc. actuarial reserves	93,545,317	83,235,135
Taxes, etc.	952,914	935,937
Sh. funds	455,501	452,684
Conting. reserves	1,500,000	1,500,000
Other reserves	1,600,000	1,101,187
Total assets	102,000,411	90,777,910
Free surplus	3,946,678	3,552,967
Interest earned	3.77%	3.94%

NORTH AMERICAN LIFE ASSURANCE CO. reports a gain of 10.5% in business in force at the end of 1946. New insurance written during the year at $66 millions was up nearly 8%, both figures being new high records. The new business in 1947 was 50% higher than the 1945 amount. This result was achieved with a slightly smaller field force, indicating a further increase in the production per man with of course, a consequent increase in his earnings, General Manager W. M. Anderson states. The average new policy reached a level of $3,235, an increase of 10.6% over the 1946 average of $2,926. Terminations of business in force were 4.9% of the business exposed (4.6% in 1946). Gross death claims were almost $2,190 thousand ($1,843 thousand in 1946). Much of the increase is attributed to the greater amount of insurance at risk and the rate of net incurred loss, while above 1946, is below the 1945 rate even after excluding war claims from that year. Total assets and free surplus were both higher. Policy loans for the first time in several years showed a slight upturn in amount but are a smaller proportion of investments.

	1947 $	1946 $
Insurance in force	445,914,125	403,446,916
New insurance	65,669,068	60,980,756
Total revenue	16,786,231	15,781,166
Policy payments	6,314,354	5,516,893
Exp. & taxes	3,648,945	3,504,808
Wr. off assets	345,494	501,680
Tr. to reserves	50,000	250,000
Inc. in pol. reserves	6,854,571	6,684,934
Surplus earnings	779,827	1,163,593
Liabs. to pol. hldrs.	103,715,331	96,098,463
Other liabs.	1,027,448	688,754
Prov. for pol. divds.	1,559,966	1,484,672
Sp. reserves	3,550,001	3,500,000
Total assets	112,984,062	104,877,193
Surplus	3,131,316	3,105,308
Interest earned	3.65%	3.75%

HURON & ERIE MORTGAGE CORP. net profits were approximately $42,000 higher at $362,223 in year ended Dec. 31, 1947. For the first time since 1930 the corporation had no unsold real estate on hand. Mortgages and agreements for sale increased by more than $600,000 to $20,246,877.

A substantial increase in savings deposits from $21,950,000 to over $24 millions was shown. Total assets topped the $50 millions mark at $50,511,000, up from $48,806,000 at end of 1946. Cash in branch offices and on deposit was higher than a year ago at $2,188,000, and liquid assets were equal to 97% of savings deposits.

	1947	1946
Liabs. to public, etc.	*$43,341,399	$41,749,530
Shareholders' equity	7,170,025	7,056,562
*Secured by:		
Mtges. & sls. agree.	20,246,877	19,573,659
Realty for sale	......	85,921
Office premises	1,722,000	1,755,000
Liquid assets†	28,542,547	27,391,512
Total	50,511,424	48,806,092
†Includes bonds and stocks.		
Earnings per share‡	$7.24	6.41
Paid	4.00+0.50	4.00

‡Based on amount paid up on subscribed capital.

CANADIAN BREWERIES LIMITED

AND SUBSIDIARY COMPANIES

REPORT OF THE BOARD OF DIRECTORS

Toronto, Canada, January 28th, 1948.

To the Shareholders:

Your Board of Directors is happy to report herewith upon the most active and profitable year in your Company's history.

Your Company embarked upon what the management considered to be a sound and forward-looking programme of modernization and expansion immediately following the cessation of the war. In spite of difficulties and dislocations which have occurred since that decision was arrived at, there is no indication which would suggest that this decision was unwise. In a period which has been characterized by rising costs in every department of the business your Company has been able to offset the narrowing unit profit-margin by means of greater efficiency, increased production and wider markets.

Your Company is about to complete its postwar plans. These have included the enlargement and modernization of the main O'Keefe plant in Toronto, the Carling plant in Waterloo, the Brading's plant in Ottawa, and the Brewing Corporation of America's plant in Cleveland, as well as the construction of a 1,500,000 bushel-per-annum malting plant at Victory Mills Limited. In addition to these developments it is proposed in the near future to complete extensive and fully-equipped laboratories for the recently expanded Research Department of your Company. These laboratories will ensure that no stone is left unturned in the development of new methods, new processes, new products or new by-products. Your directors are confident that such a move will enable your Company to maintain its leadership in the Industry.

During the year your Company was able to re-finance its debenture indebtedness at more favourable rates of interest. As of March 1st, 1947, a new issue of $3,500,000.00 of 3% Serial Debentures and $6,500,000.00 of 3¼% Sinking Fund Debentures were issued. Part of the proceeds was used to retire the existing $4,400,000.00 of Debentures and the remainder for other corporate purposes. In addition, the Shareholders were given the right to subscribe, by the 15th of October, 1947, for 1 common share of stock at $20.00 for every 10 shares held. This resulted in an increase from 2,000,000 to 2,200,000 shares in the issued capital stock as at the 31st of October, 1947. The response to both of these offerings was most gratifying.

It is interesting to note that during the period of enlargement and modernization, in spite of the declared policy of your Directorate to disburse dividends on a fair basis, over $5,000,000.00 has been provided for the programme out of your Company's earnings, over and above the dividends paid.

The financial statements which follow in this report will show that your Company is in a much stronger position than ever before. So far as sound knowledge and judgment can foresee, the very substantial increase in your Company's Fixed Assets is represented by low-cost, strategically located units producing brands which are widely known and which continue to enjoy record public acceptance.

The net profit of your Company after all charges for the fiscal year ended 31st October, 1947, was $6,170,414.87. This compares with $4,704,091.10 for the fiscal year ended 31st October, 1946. On the basis of the two million shares outstanding during the first eleven and one-half months of the fiscal period and which ranked for dividends during the year, the net profits amounted to $3.08 per share. These improved earnings have been achieved in spite of continued advances in all costs of production throughout the year. Wages and salaries have been adjusted from time to time to keep ahead of the rising cost of living. As mentioned earlier, the expansion of your Company's net profits in the face of these increased costs has only been made possible by the continued modernization and expansion of your Company's Capital facilities.

The satisfactory showing achieved in the period under review is the result of the untiring efforts of every one of the 3,077 persons who are in the employ of your Company and its subsidiaries. There is no division and no department of your Company which has not been confronted by many trying and discouraging problems. All difficulties, however, have been surmounted. The programme of expanding the Capital facilities of your Company has made impressive progress. Production has been maintained at maximum levels. Your Company's products have been soundly and fairly distributed. The financial and accounting work throughout your Company has been carried on in such a manner as to ensure that the management was at all times in possession of detailed, accurate and up-to-date information on all phases of the business. The public relations and industrial relations of your Company have been maintained at a very high level. Your Company's advertising programmes have elicited complimentary references from nearly every segment of the community. A steady and expanding programme of research and development has been undertaken. All this induces your Directors to express herewith a sincere and grateful acknowledgment to all officers and employees.

Elsewhere in this report you will find some detailed information in regard to your Company's public relations and industrial relations; the progress of new construction; the expansion of Victory Mills Limited in Toronto, and Brewing Corporation of America in Cleveland; a survey of export markets throughout the world; samples of your Company's advertising; charts graphically depicting over a period of years, the earnings and dividends paid by your Company, fixed assets and depreciation, average wage rates, and amounts contributed towards employees' benefits, and the division of the revenue dollar. Your Directors believe that you will be interested in this material, which demonstrates most clearly the very substantial growth and development of your Company.

During the year your Directors, in view of the satisfactory level and stability of your Company's earnings, decided to increase the quarterly dividend to fifty cents, making an effective rate of $2.00 per share per annum. The number of shareholders has increased during the year to 13,591.

It is with the most profound regret that your Directors record the untimely death of one of their number during the year, Mr. W. L. Bayer, who first became associated with your Company in 1934. From that time until the date of his death he was one of the most active and enthusiastic members of the Board and of the Executive Committee. His sound judgment and broad business experience were most valuable in guiding the policies and decisions of your Company, and your Directors mourn his passing with a sense of real loss.

Your Directors are not unmindful of the difficulties which may confront all Business during the coming year. They feel confident, however, that the administration of your Company is in strong hands, and that by the wise use of the unrivalled capital facilities which have been provided, another year of progress and sound development seems assured.

On behalf of the Board of Directors,

E. P. TAYLOR, *Chairman*

CONSOLIDATED BALANCE SHEET AT THE 31st OCTOBER, 1947

(STATED IN CANADIAN FUNDS)

ASSETS

		31st October 1947	*31st October 1946*
Current Assets			
Cash on Hand and in Banks	$ 5,847,810.11		
Investments in Marketable Securities at cost (Quoted Market Value $543,000.00)	415,099.40		
Accounts and Bills Receivable less reserve for doubtful accounts of $96,395.40	2,487,387.60		
Inventories as certified by responsible officials	8,053,025.32		
Prepaid Expenses	613,952.37		
Total Current Assets		$17,417,274.80	*$15,151,003.07*
Refundable Portion of Excess Profits Tax		1,343,852.59	*1,889,123.11*
Investments in Allied Companies at cost			
Listed Shares (Quoted Market Value $2,354,500.00)	$ 1,963,369.93		
Subsidiary not consolidated Dominion Malting Company Limited	2,005,172.62		
Other Shares and Advances	474,711.79		
		4,443,254.34	*3,297,240.32*
Deferred Charges		194,281.29	*362,119.21*
Fixed Assets			
Land	$ 2,007,491.18		
Buildings	$ 9,416,631.91		
Plant and Equipment	13,241,698.98		
	$22,658,330.89		
Less: Reserves for Depreciation	7,585,576.06		
	$15,072,754.83		
Construction in Progress	10,262,622.64		
Containers of United States subsidiaries—on hand or in hands of customers, at cost less allowance for depreciation of $1,429,222.43	1,871,303.39		
		29,214,172.04	*18,287,407.67*
Sundry Properties and Investments at book values, which are not in excess of cost, less reserves		880,785.21	*677,979.64*
Premium paid on purchase of shares of Subsidiaries acquired since 31st October, 1943, less amounts written off		3,725,237.91	*3,691,834.14*
		$57,218,858.18	*$43,356,707.16*

LIABILITIES AND CAPITAL

		31st October 1947	*31st October 1946*
Current Liabilities			
Accounts Payable and Accrued Liabilities	$ 4,603,668.63		
Income and Excess Profits Taxes accrued less payments thereon and less United States Government Securities of $1,017,200.00 at cost plus accrued interest, deposited with bank under loan agreement for payment of United States Taxes	2,443,483.69		
Total Current Liabilities		$ 7,047,152.32	*$ 5,837,896.98*
Debentures and Notes Payable:			
3¼% Serial Notes	872,257.40		
Notes Payable to Banks	4,500,000.00		
Debentures—Secured by First Mortgage: Authorized $15,000,000.00			
Issued and outstanding:			
3% Serial Debentures	3,500,000.00		
3¼% Sinking Fund Debentures	6,500,000.00		
		15,372,257.40	*10,000,000.00*
Reserves for:			
Inventory		—	*311,481.62*
Refund of customers' container deposits upon return of containers—United States Subsidiaries		748,331.21	*931,081.26*
Loss on demolition and disposal of equipment in connection with the expansion of United States Subsidiary		750,000.00	—
Minority Interest in Subsidiary Company		1,688,329.86	*1,717,412.60*
Capital and Surplus, represented by:			
Capital Stock—authorized: 2,500,000 Common Shares of no par value of which 2,200,000 are issued and outstanding	$20,451,122.61		
Capital Surplus	1,724,571.19		
Distributable Surplus	9,436,693.59		
		31,612,387.39	*24,558,834.70*
		$57,218,858.18	*$43,356,707.16*

Approved on behalf of the Board, E. P. TAYLOR, *Director.*
D. C. BETTS, *Director.*

AUDITORS' REPORT

To the Shareholders,
Canadian Breweries Limited.

We have examined the books and accounts of Canadian Breweries Limited and its wholly owned subsidiary companies for the year ended the 31st October, 1947. In connection therewith, we tested accounting records and other supporting evidence and made a general review of the accounting methods and of the Profit and Loss and Surplus Accounts for the year. Messrs. Lybrand, Ross Bros. & Montgomery have made a similar examination of the financial statements of Brewing Corporation of America for the year ended the 30th September, 1947, which statements have been accepted by us for inclusion in the accounts attached hereto, with the exception that the item Provision for Refund of Customers' Deposits on Containers appearing as a current liability in the accounts of Brewing Corporation of America has been reclassified as a non-current item. The net assets of Brewing Corporation of America represent approximately twenty-four per cent. of the consolidated net assets at the 31st October, 1947. Based upon such examination and the report of Messrs. Lybrand, Ross Bros. & Montgomery on their examination referred to above, we report that all our requirements as auditors have been complied with and that, in our opinion, the accompanying Consolidated Balance Sheet and Profit and Loss and Surplus Accounts supplemented by the explanatory notes 1 to 15 appended thereto are properly drawn up so as to exhibit a true and correct view of the state of the affairs of Canadian Breweries Limited and its subsidiary companies as at the 31st October, 1947, and the results of operations of the companies for the year then ended according to the best of our information and the explanations given to us and as shown by the books of the Companies. We also report that in our opinion generally accepted accounting principles have been applied during the year on a basis consistent with that of the preceding year.

Dated at Toronto, Ontario,
22nd December, 1947.

GEORGE A. TOUCHE & CO.,
Chartered Accountants, Auditors.

DISTRIBUTABLE SURPLUS

For the Year ended 31st October, 1947

Balance at Credit the 1st November, 1946		$ 6,412,552.90
Add: Net Profit for the year ended the 31st October, 1947	$6,170,414.87	
Net adjustment of prior periods provision for income taxes less expenses in connection therewith	1,129,659.99	
		7,300,074.86
		$13,712,627.76
Deduct: Dividends Paid	$3,500 000.00	
Provision for demolition and disposal of plant and equipment, after deducting minority proportion in connection with expansion of United States Subsidiary	573,879.31	
Balance of expenses in connection with prior issues of debentures now redeemed	202,054.86	
		4,275,934.17
Balance at Credit the 31st October, 1947		$ 9,436,693.59

A copy of the complete Annual Report will be mailed on request.

THIS WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JANUARY 30

[Main Montreal and Toronto exchange quotation columns (Range 1947-48 High Low, Div. Rate, Yield, Company, Sales, Last Jan. 23, Week end. Jan. 30 H L Close) — not transcribed; print too small and dense at this scan resolution.]

Range 1947-48 High	Low	Div $	Jan30 Y'ld %	Company	Sales	Last Jan. 23	Week end. Jan. 30 H	L	Cl'se
14½	9⅞	.	...	Windsor Hotel	135	10	10	10	10
25⅜	12	♦1.00	..	Winnipeg El. A	16597	23½	25⅜	23⅜	25
101	95	5.00	5.2	Do. pref.	167	96½	98	95	98
130	125	7.00+♦1.75		Wood, A&J P	15	127	127½	127½	127½
8½	7⅞	.	...	York Knit. A.n	25	8	7⅞	7⅞	7⅞
4½	3⅞	.	...	Do. (B) n.	200	4½	4½	4½	4½
38	34½	1.25+†.25		Zellers	190	35½	36	35½	35½
27½	26	1.25	4.7	Do. 5% pref.	150	26½	26	26	26

†Paid or payable in 1948. ‡Extra. xOn arrears. ♦Paid in 1947. •Dividend deferred. ▪Paid in 1946. ▲N. Y. funds. §Net after income taxes.

Mining Stocks

Week Ended January 30

[Mining Stocks table — not transcribed; print too small and dense at this scan resolution.]

Oil Stocks

[Oil Stocks table — not transcribed; print too small and dense at this scan resolution.]

• N. Y. Funds. ▪ Extra ♦ Dividend deferred.
‡ Paid in 1948. ‡ Capital Repayment.
§ Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Feb. 2	226,000	1,074,000	93,738	940,000
Jan. 31	......	....	......	370,000
Jan. 30	140,300	829,000	50,800	1,060,000
Jan. 29	151,200	686,000	108,000	1,280,000
Jan. 28	176,500	767,000	52,085	1,060,000
Jan. 27	147,200	615,000	49,424	1,020,000

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Corp. and Kamm, Garland & Co.)

Feb 2, 1948

	Bid	Ask
Allens Toronto units	40.00	....
Anglo Can. Telephone A	10.00	11.00
Beauharnois L. H. & Pwr.	9.25	10.50
British Mtge. & Trust	182.50	....
B. C. Sugar	89.00	92.00
Can. Investors Corp.	7.00	7.75
Canadian Motor Lamp	9.50	10.75
Candn. Silk Prods. A	24.00	25.50
Can. West. Nat. Gas com.	19.50	20.75
Do. pfd.	65.00	....
Capital Wire Cloth com.	11.00	....
Do. pfd.	23.50	....
Cawthra Apts. units	7.00	....
Chase, A. W. units	38.50	....
Colonial Steamships com.	80.00	....
Commercial Finance com.	14.50	....
Commercial Life 10% paid	7.50	....
Commonwealth Inter. Corp.	3.40	3.74
Continental Life 20% pd.	42.50	....
Cooksville com. (old)	14.00	16.00
Do. A	10.50	11.50
Do. B	4.50	5.50
Cuban Can. Sugar com.	4.50	6.00
Detroit Internat. Bridge	11.50	12.75
Dover Industries Ltd.	11.25	12.25
Dunlop Tire pfd.	25.00	26.25
Dupuis Freres pfd.	26.50	27.25
Empire Life Ins. 25% pd.	17.00	19.00
Foreign Power Co.	6.00	8.00
Galt Brass com.	33.50	....
Goderich Elevator & Trans.	15.50	....
Great West Life	365.00	400.00
Guardian Realty pfd.	40.00	....
Guaranty Co. of N. A.	390.00	....
Guelph & Ont. Svgs. $50 p.	61.00	....
Hart Battery com.	7.50	....
Hartz, J. F., A	10.75	12.00
Imperial Life	360.00	380.00
Interprovincial Brick A pf	70.00	....
Interprovincial Brick B pf	28.00	....
Lambton Loan $50 par	83.00	....
Laprairie com.	7.00	9.00
Do. pfd.	96.00	....
Loblaw Groc. Inc.	19.00	20.00
Manufacturers Life Ins.	345.00	365.00
Monarch Life 30% paid	93.00	....
Monarch Mtge. units	4.50	....
Montreal Trust Co.	91.00	....
Mountainview Apts. pfd.	18.00	....
Nat. Drug & Chem. c. new	7.25	8.00
Do., pfd.	10.75	11.75
New Brunswick Telephone	12.75	13.75
Ont. & Que. Ry. 6% cap stk	147.00	....
Peller Brewing com.	7.25	8.00
Do. pfd.	23.50	24.50
Provincial Bank of Can.	16.00	16.75
Prudential Trust	10.50	....
Quality Steels com.	.70	1.00
Royal Trust Co.	101.00	....
Sawyer Massey com.	1.50	....
Seiberling Rubber com.	7.50	....
Sincennes McNaugh. Tugs	2.50	....
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	35.00	39.00
Standard Fuel, pfd.	46.00	48.00
Do. com.	3.00	5.00
Stand. Tie & Lumber W.	1.75	2.50
Sun Life Assce.	485.00	490.00
Third Can. Gen. Inv.	3.00	3.50
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	3.50	....
United Steel A pfd.	24.25	25.50
Victoria Trust & Svgs.	132.50	....
Waterloo Manufacturing c.	....	6.50
Waterloo Trust & Svgs.	122.00	....
Western Assurance com.	67.50	70.00
Western Grain com.	....	1.00
Do. pfd.	18.50	21.00
York Trading com.	12.00	....

Unlisted Mines

Approximate quotations, 3 p.m., Feb. 2, subject to confirmation:

[Unlisted Mines bid/ask listing — not transcribed in full; print too small at this scan resolution.]

Significant Investors' Index Numbers

(Base 1935-39=100)

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	10	8	4	4	9	13	8	16	14	8	18	100
*1935 to date: High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.3	136.3	149.0	128.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.3	60.0	45.2	61.1
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.0	182.9	124.0	303.5	124.0	108.1	133.1	117.7	106.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.3	302.5	145.3	110.4	132.4	121.8	108.4
Mar.	180.5	257.6	123.1	65.8	185.9	129.3	291.9	140.2	112.6	130.6	120.1	106.4
Apr.	180.9	242.3	122.8	64.4	180.1	128.6	281.6	136.8	110.3	130.1	117.7	104.8
May	180.3	234.7	120.2	66.9	177.0	127.5	279.5	136.4	109.2	130.7	115.6	104.4
June	177.1	244.5	119.7	67.9	178.0	126.7	289.2	135.8	110.5	129.2	116.7	103.2
July	183.4	261.0	119.3	68.8	179.7	127.3	307.2	136.6	110.6	129.0	120.2	107.4
Aug.	182.1	255.4	117.8	66.6	178.8	126.9	303.1	135.0	108.8	129.4	117.1	105.5
Sept.	178.7	258.6	117.2	64.2	176.2	124.4	304.0	132.9	109.8	128.6	116.0	104.1
Oct.	185.4	275.4	118.1	63.5	180.3	121.7	320.0	132.9	108.9	126.8	117.0	105.8
Nov.	188.0	281.9	119.0	65.1	191.1	121.1	324.0	138.2	107.0	125.0	114.7	107.2
Dec.	190.2	271.4	116.2	65.8	188.6	121.3	321.0	136.1	102.0	133.8	112.1	106.2
1948: Weekly Figures:												
Jan. 2	192.7	271.2	115.5	70.6	186.8	121.9	320.8	136.9	100.6	132.9	114.2	108.9
Jan. 8	193.7	264.8	114.3	72.9	187.4	122.2	320.7	135.8	99.7	132.9	112.5	108.7
Jan. 15	189.6	258.2	116.3	72.0	192.9	117.4	315.2	132.2	102.8	132.9	112.5	108.2
Jan. 22	186.1	246.0	111.8	68.8	188.0	111.1	295.7	128.4	101.7	130.6	111.7	104.9
Jan. 29	187.3	253.6	110.9	68.4	186.8	115.8	306.8	129.3	102.5	132.3	111.6	105.9

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 2	174.92	51.54	32.66	63.23
Jan. 31	175.05	51.66	32.69	63.30
Jan. 30	174.76	51.65	32.63	63.21
Jan. 29	174.47	51.68	32.64	63.17
Jan. 28	172.97	50.99	32.46	62.58
Jan. 27	171.42	50.62	32.30	62.68
Month ago	179.53	52.72	33.73	64.90
Year ago	181.92	52.06	37.01	63.97
1947-48 high	186.85	53.42	37.33	67.16
1947-48 low	163.21	41.16	32.30	57.22

Toronto Stock Exchange Index

[Table not transcribed; print too small at this scan resolution.]

Montreal Stock Exchange Averages

[Table not transcribed; print too small at this scan resolution.]

Stocks Not Traded This Week (Continued)

[Listing not transcribed; print too small at this scan resolution.]

STOCKS NOT TRADED THIS WEEK

[Listing not transcribed; print too small at this scan resolution.]

Government Bonds

Feb. 3, 1948

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	103¾	104¼
3	Mar. 1954	104¼	105¼
3	Nov. 1956	103½	104½
3	May 1957	102½	103½
3	Jan. 1959	101¾	102¾
3	June 1960	101½	102½
3	Feb. 1962	101½	102½
1½	Nov. 1950	100½	101¼
3	Oct. 1963	101½	102½
3	Sept. 1966	101½	102½
1½	Nov. 1949	100½	101½
1½	Nov. 1948	100¼	101
Dom. of Canada Bonds:			
3½	Nov. 1951	101½	102
3½	Feb. 1952	103½	104¾
3	Oct. 1952	102½	103
3	June 1955	102¾	103½
3	June 1958	102½	103½
4½	Nov. 1959	104¾	105½
3½	June 1966	103	104
3	Perpetual	100	101
4½	Nov. 1958	102½	102¾
Dom. Guarant'd Bonds Can. Nat. Railways:			
3	Jan. 1959	101½	102¾
4½	Sept. 1951	*106½	*107½
4½	Feb. 1956	*111	*112½
4½	July 1957	*112	*114
4¾	June 1955	*112	*114
5	Feb. 1954	112½	114½
5	Feb. 1970	*108½	*110½
5	Oct. 1969	*108½	*110½
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	*111½	*113
Grand Trunk Pacific Rly.:			
3	Jan. 1962	*98½	*100¾
4	Jan. 1962	*110	*112
Montreal Harbour Com.:			
5	Nov. 1969	*108½	*110
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1956	100¾	103½
4½	Apr. 1961	115	117½
5	Jan. 1960	118½	121
2¾	June 1966	93	95
Nova Scotia:			
3	Jan. 1952	101½	103
3½	June 1956	103	104½
3½	Nov. 1950	102½	103¾
4½	Nov. 1960	120	123
5	Mar. 1960	123½	126½
3	June 1958	100¾	102½
Ontario:			
3½	Nov. 1951	101½	103
3½	May 1955	103½	104¾
4	June 1962	119	122½
4½	June 1950	105	106½
4½	Jan. 1962	125	127½
5	Oct. 1948	101¾	102¾
5	Dec. 1960	128½	131½
2¾	July 1976	95½	97½
Ont. Hydro Commission:			
3½	Feb. 1953	101¾	103
4	Aug. 1957	115	118
2¾	June 1971	95½	96½
Prince Edward Island:			
4	Mar. 1954	102	104
Quebec:			
3½	Mar. 1959	102¾	104½
3¾	Feb. 1955	104½	105¾
4½	Aug. 1958	109¾	112½
4½	Jan. 1963	114	116
3	Feb. 1962	100	101½
4	Nov. 1952	103½	105
Alberta:			
3½	June 1964	99	101
3½	June 1959	102½	104¾
3½	June 1972	100	102
British Columbia:			
4	Dec. 1957	112	116
4½	Jan. 1961	112½	115½
4½	Oct. 1953	114	117
5	Apr. 1954	117	120½
2¾	Apr. 1966	96	98
5	Sept. 1953	110	112½
Manitoba:			
4	Dec. 1957	112½	116
4½	Dec. 1956	117½	121
5	Dec. 1959	122	125
5½	Oct. 1955	115	118
Saskatchewan:			
4	Sept. 1954	99	101½
4	Nov. 1960	99	102
4½	Oct. 1951	106½	110
5	Aug. 1958	105½	108½
4½	Mar. 1960	104	107
5	Dec. 1959	107½	110¾
5½	Oct. 1952	105½	108
6	Mar. 1952	106½	108½

*N. Y. funds.

Dividends Declared

	This payment $	Date payable	Date of record
Agnew-Surp. Shoe	.12	Mar. 1	Jan. 30
Aluminium Ltd.	2.00	Mar. 5	Feb. 6
Aluminum Co. 4% p.	.25	Mar. 1	Feb. 4
Anglo-Can. Tel. A	.15	Mar. 1	Feb. 10
Argus Corp.	.15	Mar. 1	Jan. 31
Do. 4½% pfd.	1.12½	Mar. 1	Jan. 31
Bank of Montreal	.20	Mar. 1	Jan. 31
Bank of Toronto	.30	Mar. 1	Feb. 14
Barber-Ellis	.25+.12½	Mar. 15	Feb. 28
Beaver Lumber, A	.25	Apr. 1	Mar. 10
Do., pfd.	.35	Apr. 1	Mar. 10
Belleterre Que.	.10	Mar. 15	Feb. 16
J. Bertram & Sons A	.25	Feb. 16	Jan. 31
Do. B	.05	Feb. 16	Jan. 31
Borden Co.	†.60	Mar. 1	Feb. 11
Bowes Co., A	.12½	Feb. 14	Jan. 31
B. C. Packers, A	.37½	Mar. 15	Feb. 28
Do. B	.13	Mar. 15	Feb. 28
Bath'st Pr. & Pa. A	.37½	Mar. 1	Feb. 3
Bruck Silk Mills	.30	Mar. 15	Feb. 16
Burns & Co., A	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Do., Cl. B	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Canada Cement pfd.	.32½	Mar. 20	Feb. 20
Can. Safeway 4½% p	1.12½	Mar. 1	Feb. 14
Can. Starch 7% pf.	3.50	Feb. 16	Feb. 9
Cn. Vinegars	.15	Mar. 1	Feb. 16
Can. Car & Fdry.	.20	Feb. 23	Jan. 29
Do., Cl. A	.25	Feb. 23	Jan. 29
Candn. Breweries	.50	Apr. 1	Feb. 27
Can. For. Inv. Corp.	1.75	Apr. 1	Mar. 1
Can. Int. Inv. Tr. p.	6.25	Mar. 1	Feb. 13
Can. Locomo.	1.00+1.50	Mar. 1	Feb. 10
Candn. Oil	.20	Feb. 16	Jan. 26
Candn. Util. 5% pf.	1.25	Feb. 16	Jan. 29
Candn. West. Lumb.	.10	Apr. 15	Mar. 18
Do.	.10	Jul. 15	June 17
Do.	.10	Oct. 15	Sept. 17
Chartered Trust	1.25	Apr. 1	Mar. 15
Chesterville Mines	.05	Apr. 30	Apr. 9
Cinzano Ltd., A	4½d	Mar. 15	Mar. 1
Do., 5½% pfd.	2¾%	Mar. 31	Mar. 15
Coch.-Dunlop Hdwre. A	.20	Feb. 15	Jan. 31
Do., pfd.	.30	Feb. 15	Jan. 31
Colonial Steamship	$6.00	Feb. 23	Feb. 2
Commoil Ltd.	.00½	Feb. 25	Feb. 11
Confed. Life 30% p.	1.50	Mar. 15	Mar. 10
C'monwealth Intnl.	.04	Feb. 15	Jan. 15
Conduits Nat.	.25	Feb. 9	Jan. 30
Consol. Bakeries	.25	Apr. 1	Mar. 6
Consumers Glass	.50	Feb. 28	Jan. 27
Cosmos Imp'r'l	.25+.25	Feb. 14	Jan. 31
Crown Cork & Seal	.50	Feb. 16	Jan. 16
Davis Leather A	.37½	Mar. 1	Feb. 2
Do. B	.17½	Mar. 1	Feb. 2
Dom. & Anglo Invest. Corp. pf.	1.25	Mar. 1	Feb. 14
Dom. Bridge	.30	Feb. 25	Jan. 30
Dom. Scot Invest. 5% pf.	.50	Mar. 1	Feb. 10
Dom. Stores	.37½	Mar. 16	Feb. 16
Donnacona P. p 4½%	1.12½	Feb. 18	Jan. 15
Donohue Bros.	.25	Mar. 1	Feb. 15
Eastern Steel	.15	Mar. 1	Feb. 14
Eastern Theatres	1.00	Feb. 7	Jan. 15
Empire Life Ins. 20-25% pd.	4%	Mar. 1	Feb. 1
Ford Motor A, B	.25+.25	Feb. 27	Feb. 6
Gen. Steel Wares	.20	Feb. 16	Jan. 16
Gt. West Coal	.40	Feb. 15	Jan. 31
Gypsum Lime	.25	Mar. 1	Jan. 31
Do.	.25	Jun 1	May 2
Do.	.25	Sep. 1	July 31
Do.	.25	Dec. 1	Nov. 30
Ham. Cotton	.22½	Mar. 1	Feb. 10
Home Oil	.25	Mar. 10	Jan. 30
Hudson Bay M. & S.	1.00	Mar. 8	Feb. 6
Intnl. Metal Ind., A	.40	Apr. 1	Mar. 8
Do., B	.40	Apr. 1	Mar. 8
Do., 4½% pfd.	1.12½	Apr. 1	Mar. 8
Intnl. Utilities	†.22½	Mar. 1	Feb. 10
Kelvinator of Can.	.37½	Mar. 20	Mar. 5
Kerr-Addison	.03	Feb. 27	Jan. 31
Lake of Woods M.	.40	Mar. 1	Feb. 2
Do. 7% pf.	1.75	Mar. 1	Feb. 2
Laura Secord	.20	Mar. 1	Feb. 2
Legare Co. 6% pf.	2.00	Feb. 16	Jan. 23
Leitch Gold	.02	Feb. 16	Jan. 30
Loblaw Groc.	†.20	Feb. 26	Feb. 6
Loblaw Groc. A & B	.25	Mar. 1	Feb. 3
McIntyre-Porc.	[illegible]	Mar. 1	Feb. 2
J. S. Mitchell & Co.	.75	Apr. 1	Mar. 15
Montreal Cot.	.13	Mar. 15	Feb. 13
Do., pfd.	.44	Mar. 15	Feb. 13
Nat. Biscuit	†.40	Apr. 15	Mar. 9
Do. 7% pf.	†1.75	Feb. 27	Feb. 6
Nat. Drug.	.12½	Mar. 1	Feb. 11
Do. pf.	.15	Mar. 1	Feb. 11
O'Brien Gold	.03	Feb. 23	Jan. 23
Ogilvie Flour Mills	.25	Apr. 1	Feb. 25
Do., 7% pf.	1.75	Mar. 1	Jan. 26
Ont. Steel Prod.	.25	Feb. 15	Jan. 16
Do., 7% pfd.	1.75	Feb. 15	Jan. 16
Paramount Pict.	†.50	Mar. 24	Mar. 4
Penmans Ltd.	.75	Feb. 16	Jan. 15
Photo Engravers	.75+.75	Mar. 1	Feb. 15
Proprietary Mines.	.03	Mar. 5	Feb. 6
Prov. Trans.	.40	Feb. 16	Feb. 2
Purity Flour	.25	Mar. 1	Feb. 6
Quebec Pwr.	.25	Feb. 25	Jan. 16
Robinson Little, A	.25	Mar. 1	Feb. 14
Do. 4½% pf.	1.06¼	Mar. 15	Mar. 1
Rolland Paper	.15+.15	Feb. 16	Feb. 2
Royal Bank	.25	Mar. 1	Jan. 31
Scythes & Co.	.19	Mar. 1	Feb. 18
Do., 5% pf.	.31¼	Mar. 1	Feb. 18
Seiberling Rub.	.25+.50	Feb. 16	Feb. 6
Do. 4% pf.	.50	Apr. 2	Mar. 2
Shawin. W. & Pwr.	.30	Feb. 25	Jan. 16
Shea's Brewery A	.25½	Feb. 15	Jan. 31
Do., B	.75+.25	Feb. 15	Jan. 31
Silverw'd Dair., A	.15	Apr. 1	Mar. 10
Do., B	.30	Apr. 1	Mar. 10
Silverwood West. Dairies 5% pf.	1.25	Apr. 1	Mar. 10
Simpsons A	.75	Feb. 25	Feb. 2
Do., 4½% pf.	1.12½	Mar. 15	Feb. 16
Southam Co.	.25	Feb. 16	Jan. 16
South. Can. Pwr.	.30	Feb. 16	Jan. 20
Stadacona Mines	*.03	Feb. 16	Jan. 15
Standard Chem.	.10	Mar. 1	Jan. 30
Do., 5% pfd.	1.25	Mar. 1	Jan. 30
Stand. Pav. pf.	.62½+.25	Apr. 1	Mar. 1
Do. com.	.25	Apr. 1	Mar. 1
Toronto Elev.	.15	Mar. 1	Feb. 20
United Corp. A	.38	Feb. 14	Jan. 15
Do. B	.25+.30	Feb. 28	Jan. 31
United Steel	.12½	Mar. 30	Mar. 10
Walker-G. & W.	.37½	Mar. 15	Feb. 13
Woods Mfg.	.50	Mar. 31	Feb. 28

†N. Y. funds. *Initial.
§Subject to approval of F.E.C.B.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
Feb. 3, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen.H.B.R.	5	'59	68	71	68
†Assoc. Tel. & T.	5½	'55	107	...	107
Bell Telephone.	3	'77	95½	98½	96
B. C. Electric.	3½	'67	95	97½	95
East Kootenay	3½	'67	93½	96½	93½
‡Gatineau Pr. D	3½	'70	97½	100½	98
*Do., C	3	'70	93½	96½	92½
Gt. Lakes Pwr..	3½	'67	96	98	95
*Int. Hydro-El.	6	'44	65½	68½	65½
L. St. Law. Pr..	3¾	'65	99½	102½	99½
†Mtl. Trams. A	5	'55	99	...	98
Nat. Lt. & Pr..	4½	'61	101	...	101
Ott. L.H. & P..	4	'57	100½	...	100½
Power Corp.	3½	'67	95½	98½	95½
Quebec Pwr.	3	'62	96½	99	96½
St. Maurice Pr..	3½	'70	95	98	95½
Shaw W. & Pr..	3	'71	94	97	94
Do.	3½	'70	100	103	100½
Union Gas	4½	'50	99½	102½	99½
United Secs.	3	'52	97½	...	99
Wpg. El.	3¾	'71	102½	104	101½
Industrial and Realty Issues:					
Abitibi Pr. P...	3½	'67	96½	99	96½
Acadia-Atlantic Sugar	3¾	'65	100½	102½	100½
Aluminum Co..	3½	'74	101½	105½	101½
B. C. For. Pdcts.	4	'66	94	96½	93½
B.C. Pulp & P.	3½	'67	94	97½	94½
Bowater's Nfld. P. & P.	3½	'68			
†Brown Co.	5	'59	98	100	98½
Burns & Co....	4	'63	99	102	99
Can. Steamship	3½	'57	98	101½	98
Can. Brews.	3½	'67	99½	102½	99½
Can. Celanese..	3	'62	95	98	95
Can. Oil	3½	'62	97½	99½	97½
Can. West Lum	4	'62	97½	100½	97½
C. P. R.	3½	'51	98½	101½	98½
Do.	4	'49	104	...	104
C.P.R.	4	Perp	101½	...	101½
Consol. Paper..	3½	'67	111	...	112
Dom. Coal	4½	'52	98	100	98
Dom. Scott Inv.	3	'64	100½	...	100½
Dom. T. & Ch..	3½	'57	91	96	93
Dom. Textile	3½	'59	100½	103½	100½
Dom. Woollens.	5	'64	101½	...	101½
Dryden Pap.	4	'61	100	103	100
E. B. Eddy	3½	'66	99½	...	99½
Federal Grain	4	'64	97½	100½	97½
Ham Cotton	3¾	'59	97½	100½	97½
Imperial Tobac.	2¾	'60	99½	...	99½
Indust. Accept.	3½	'66	96½	98½	98½
Lake St. J. P...	3½	'61	95	97½	96
Do.	5	'61	102	105	102½
MacMillan (H. R.)			101½	103½	101½
Export	4	'66	100	103	100
Maple L. M.	3¾	'63	98	101	98
Massey-Harris	3	'66	92½	95½	92½
McColl Fron.	3	'71	94	97	94
McCormicks	4	'62	99½	...	99½
Mercury Mills	4	'59	98½	...	100
Moirs Ltd.	6	'52	99½	...	99½
Montreal Apts..	4	'54	94	96½	94
N.S. Stl Coal...	3½	'63	94½	97½	94½
Price Bros.	3½	'66	98	101	98
Silv. Dairies	4	'60-64	98½	101½	100
Do.	4	'71	95½	98½	97
Simpsons Ltd.	3½	'60	101½	104½	101½
Steel Co. of Can.	2¾	'67	94½	97½	94½
Toronto Elevat.	3½	'66	99½	101½	101
United Corp.	4	'58	99½	101½	99
†Western Grain.	5	'63	82½	85½	82½
York Kt. Mills.	3½	'71	97½	99½	98½

*Payable in Can. or U.S.
†Payable in Can., U.S. or U.K.
*Payable in U.S.
‡Payable in Canada only.
▲Payable in Can. or U.K.

Company Meetings

1948	Company	Place
Feb. 5	Mutual L. Assur.	Waterloo, Ont.
Feb. 6	Crown Trust	Toronto
Feb. 9	Cons. Fire & Cas. Ins.	Toronto
Feb. 9	Mtl. C. & D. Sav. Bk.	Montreal
Feb. 10	Candn. Fire Ins.	Winnipeg
Feb. 10	Candn. Indemnity	Winnipeg
Feb. 10	Royal Trust	Montreal
Feb. 10	Sun Life Assur.	Montreal
Feb. 11	Canada Trust	London
Feb. 11	Huron & Erie Mtge.	London
Feb. 11	Northern Trust	Winnipeg
Feb. 11	Ont. Loan & Debent.	London
Feb. 12	Excelsior Life Insur.	Toronto
Feb. 13	Dom. Life Assur.	Waterloo, Ont.
Feb. 17	Beatty Bros.	Fergus, Ont.
Feb. 18	British Northwest. Fire	Toronto
Feb. 18	Guarantee Co. of N. A.	Montreal
Feb. 18	Security Natl. Insur.	Toronto
Feb. 20	Montreal Island Pwr.	Montreal
Feb. 23	Cinzano Ltd.	Montreal
Feb. 23	Canada Cement	Montreal
Feb. 23	Montreal Life Ins.	Montreal
Feb. 24	Argus Corp.	Toronto
Feb. 24	Confederation Life	Toronto
Feb. 26	Bell Telephone	Montreal
Feb. 27	Bruck Silk	Toronto
Mar. 10	Quebec Power	Montreal
Mar. 18	Shawinigan W. & P.	Montreal

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.22	$15.27	$13.30
Hogs	28.10	28.10	21.35
Copper, lb.	.21⅛	.21⅛	.19½
Sugar, raw, lb.	.0515	.0519	.0620
Coffee, lb.	.26½	.26½	.27¾
Hides	.31½	.31	.22
Weekly Indices			
U. S. Labor	165.5	164.5	140.8
Dow Jones	167.42	168.50	118.06
Fishers	172.6	172.0	151.8
Monthly Indices			
Retail (Dec.)	146	143.6	127.1
W'sale (Dec.)	143.5	142.5	112.0
U. S. (Nov.)	159.5	158.5	139.6
Gt. Brit. (Oct.)	202.7	199.3	179.0

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York, Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Municipal Bonds

Feb. 3, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55	99	102	3.45
Vancouver	3	'67	94½	97½	3.17
Calgary	3½	'51-61	99½	101½	2.95
Edmonton	3½	'49-59	100	102	1.87
Regina	3	'64	94	97	3.23
Moose Jaw	3-3½	'60	97	100	3.25
Winnipeg	2¾	'66	95½	97½	2.92
Ottawa	3	'54	102	104	2.33
Toronto	2¾	'72	94	97	2.92
Hamilton	3	'53	102	104	2.18
Windsor	2½	'75	73½	76½	4.00
Windsor	2¾	'75	77½	80½	3.90
Windsor	3½	'75	90	93	3.92
Montreal	3	'70	96	99	3.06
Quebec	2¾	'66	93	95	3.11
Halifax	3	'66	96	98	3.14
Saint John	3½	'65	101	104	3.28

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Can. Nat. Rlwy. 17-yr. gtd. bds.	3%	1953	Feb. 15	100
Island Tel., 1st mtge. bds.	4%	1968	Mar. 1	104

‡All outstanding.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.67	4.02
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.45	4.90
Can. Invest. Corp.	7.00	7.75
Commonwealth Int.	3.40	3.74
Corporate Invest.	8.73	9.40
Trans-Canada. A	13.20	....
Do., B	....	13.00

Bond Tenders

12 noon, Feb. 5, 1948, Dominion of Canada Treasury Bills—Payable May 7, 1948, $75,000,000, dated Feb. 6, 1948.

Supplementary Bond Quotations

Furnished by Investment Dealers Association
Month-end Closing Prices
Jan. 31, 1948

	Bid	Asked
Acadia Apartments 4%/59	99	102½
Adelaide Peter 6¼%/48	68½	..
Adelaide Sheppard 5-7%/48	65½	..
Alex. Bldg. 6%/47 & Com.	77	81
Ancroft Place 4%/56 & Com.	83	..
Balfour Bldg. 3-6%/43	69	76
Bay Adelaide 6½%/47 1st	65	..
Bay Cumberland 3½%/58 & Com.	69	..
Bay St. Albans 4%/53	79	..
Bloor St. George 4%/67	89	..
Clarendon Apart. 7%/46	54	59
Clarendon Prop. 7%/47	54	59
Deer Park Manor 4%/59 & Com.	83	..
Dom. Square 4%/59	100	104
Ellis Park 4½%/60 & Com.	89	..
400 Avenue Rd. 4½%/57 & pf.	90	..
Glen. Inv. 5%/59 & Com.	110	114
Lombard Realty 2½%/51 & Com.	54	..
Lord Nelson Hotel 4%/47	70	76
Metropolitan Bldg. 4½%/32	99	..
Montreal Apts. 4%/54 1st	94	97
Montreal Apts. 4%/54 2nd	87	92
Municipal Bankers 4-5%/48	20	..
Ontario Bldg. 3%/48	57	63
Oshawa Bldg. 4%/53 & pfd.	79	..
Rams. Pk. Apts. 5%/61 Com.	82	..
Richmond Bldg. 7%/47	41½	46
St. Cath. Stanley 4%/57	98	102
St. Clair 200 W. 1958 & pfd.	89	..
Sherbrooke St. Rlty. 4%/32	94	99
Stanley Realty 6%/62	96	..
Transport. Bldg. 3½%/67	33	..
York Adelaide 7%/45	41	45
York St. Bldg. 5%/53	95	101

Market Comment

What stocks and bonds are doing and what prominent observers say.

All stock averages on the Toronto and Montreal stock exchanges, with the exception of base metals, showed modest upturns this week. The improved tone in the industrials and papers stemmed from a healthy four-point rise in the New York Dow Jones industrial average.

Most significant action, however, was in the golds. While the Toronto average managed to take on only a little over 1.5 points, a noticeably improved tone had entered the market. For the first time in several months important drillhole news was able to bring some substantial speculative buying into the market. It is evident that France's recent devaluation action coupled with new strength in golds in London is the main factor behind the better picture.

Investment authorities both in this country and the U. S. remain sharply divided on the market outlook over the next year. Even the more optimistic, however, suggest maintenance of a sizeable cash position pending better bargain levels at later dates this spring or summer. One of the big uncertainties in the picture at the moment is whether labor is going to press for another round of wage increases and what effect this might have in face of easing sales in many lines of consumer products.

* * *

Paul Mathews; Mathews & Co. (Toronto): We are witnessing a considerable tightening in monetary policy due to the increased demand of industry for liquid resources not only for capital expenditure but also for the carrying on of day-to-day business under the present high cost-price level. As a result the money markets are finding equilibrium at higher interest rates and consequently lower prices for stock and bond markets. There does not appear to be any change in this trend to date, and as credit restriction is such a powerful force in influencing our business destiny we recommend investors to continue to pursue a very conservative investment policy.

For investment account there are a number of shares of companies which are very strongly entrenched, whose credit rating is very high, and whose dividend record is impressive over a long period of time. We feel that shares of these companies should be maintained or added to from time to time in proportion, of course, to individual investor's requirements and subject to the normal changes that should be made in portfolios.

On speculative account, however, we can only point out that confidence and psychology are almost the all-important factors, and, to say the least, are very difficult to forecast. At the present time they are at a low ebb, but for those who are able to judge them correctly there should be good trading possibilities even in the present deflationary market. Possibility of currency devaluation may be a very potent factor in reviving speculative psychology during the coming year. Marketwise, we favor the senior base metals, the oils, the agricultural implements and a selected list of senior golds.

* * *

P. A. Wootten; Western City Co. (Vancouver): For the past 16 months Canadian industrial share averages have moved within a range of less than 15%. Such a narrow price movement lasting for more than a year has occurred only four times in the New York averages over the past 50 years and the same would likely be true of our Canadian averages if available over that period.

Investors have two main fears today—early depression and war. Depression would not seem likely in the near future and while nations could blunder into a war no major power is close to being ready for an all-out conflict. Since stocks in terms of price to earnings, are the cheapest in 20 years; since it would appear that Government bond prices will be stabilized at around present yields; and since the two main fears mentioned above should become less poignant as the year continues we believe that industrial stocks will, during the year, advance through the upper limits of the present narrow range.

R. B. Duggan; Amos, Christie & Co. (Toronto): In our economic sphere I consider the devaluation of the French franc the most important event since the war. It is now only a question of time until the pound Sterling will be revalued. When this action takes place the Canadian dollar will follow the downward trend.

Against this monetary background business is becoming more competitive and it is not surprising to see the stock market moving to lower levels. Although earnings may recede it is my opinion that some common stocks show less inflation than other parts of our economy.

In particular I think the base metal shares offer the best chances for appreciation and I favor Consolidated Mining and Smelting, Hudson Bay and Quemont.

Crabtree & Co. (Montreal): Despite the many factors which may prolong uncertainty and perhaps cause renewed weakness in the market, the evidence is inadequate to support an investment policy based upon presumption that the forces of inflation are spent, or that any near-term readjustment in business will produce substantially lower prices for stocks in view of the extent to which present unusually low price-earnings ratios already discount a reduction in corporate earnings. On the contrary, it seems early to rule out the possibility of a more normal capitalization of good earnings and dividends. Selection, however, will be increasingly important.

E. F. Hutton & Co. (New York): As the market has discounted much at current levels, possible adverse news developments are not expected to force it below the 1947 range in the foreseeable future or interfere more than temporarily with special groups or issues in a position to show independent strength.

* * *

New Highs and Lows

During the week ended Jan. 31, 9 new highs were recorded among the "general" stock exchanges, and 53 new lows. In the mining group there were four new highs and 28 new lows. Two new highs and two new lows were recorded in the oil stocks.

GENERAL

New Highs—1947-48

Brand. Henderson, Cons. Smelters, Crown Trust, Huron & E. Mtge. p., Imp. Tobac. 4% pf., MacMillan Exp., A, Monarch Life, Mtl. Refrig. & St., Winnipef Elec., A

New Lows—1947-48

Acadia Atlantic A, Anglo Newfound., Assoc. Tel., pfd., Belgium Glove, Bell Telephone, Brant. Cor., B. A. Oil pfd. N., B. C. Power, A, C. & D. Sugar, Candn. Bronze, Candn. Can., Do., 2nd pfd., Candn. Car, A, Candn. Vickers, Consumers Glass, Dom. Bridge, Dom. Foundries rts., Dom. Malting, pfd., Economic Inv., Eddy Paper, Fanny Farmer, Federal Grain, How. Smith, pfd., Hydro Electric Sec., Imp. Tobac. 4% pf., Int. Bronze, Do. pfd., Alf. Lambert, Lake of the Woods, Massey-Harris, pfd., McColl-Frontenac, Do., pfd., Do., rts., Mod. Containers, A, Mod. Tool Works, Moore Corp., 4% pf., Nat. Brew., pfd., Nat. Grocers, Ogilvie Flour, Orange Crush, Reitman's 5% pfd., Stand. Chemical, Do., pfd., Stanley Brock, A, Do., B, Steel Co. of Can. pf., Stowell, pf. A, Taylor Pearson, pf., United Corp., A, Weston, Geo., Do., 4½% pref., Winnipeg Elec., pf., Zeller's, 5% pf.

MINING

New Highs—1947-48

Hudson Bay, Negus, Placer, Placer Devel., Yellorex

New Lows—1947-48

Amer. Neph., Aunor, Band Ore, Beaulieu, Century, Coin Lake, Delnite, Dentonia, Duquesne, Elder, Formaque, Frobisher, Goldale, Hard Rock, Harker, Howey, Lencourt, MacDonald, Norbenite, North. Can., O'Leary, Q. M'gese., Red Hawk, Sannorm, Silanco, Taku, Thurbois, Winora

OILS

New Highs—1947-48

Command, Foothills

New Lows—1947-48

Apex, Grease Creek

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities

DOMINION

Dominion of Canada Treasury Bills—Due Apr 23, 1948, $75,000,000, issued Jan. 22, 1948. Priced at $99.89793 to yield .410%.

MUNICIPAL

City of Port Arthur, Ont.—2¼%, 2½% and 3¼% debentures, due Dec. 15, 1948-67, $622,342.65, issued Jan. 19, 1948. Sold at $98.573 to Bank of Montreal; Mills, Spence & Co.; Bell, Gouinlock & Co. and Dominion Securities Corp.

Town of Arnprior, Ont.—3% debentures, due Dec. 15, 1948-62, $19,414, issued Jan. 20, 1948. Sold at $100 to Bank of Nova Scotia.

Town of Laval-des-Rapides, Que.—3% debentures, due Nov. 1, 1948-62, $67,500, issued Jan. 20, 1948. Sold privately at $97.60.

Town of St. Jerome, Que.—3% debentures, due Nov. 1, 1948-87, $14,000, issued Jan. 20, 1948. Sold privately at $100.

Township of Gayhurst, Que.—4% debentures, due Nov. 1, 1948-87, $14,000, issued Jan. 20, 1948. Sold privately at $100.

Village of Ormstown, Que.—2¾% debentures, due Dec. 15, 1948-72, $50,000, issued Jan. 20, 1948. Sold privately at $94.625.

CORPORATE

Mount Royal Dairies—3½%, 4% and 4¼%, 1st mortgage bonds, due 1948-57-66-67, $1,250,000, issued Jan. 20, 1948. Offered at $100 by Paul Gonthier & Co. and Savard, Hodgson & Co.

Silverwood Dairies—3% first mortgage serial bonds, due Jan. 2, 1955-58, $200,000, dated Jan. 2, 1948. Sold to R. A. Daly & Co. Ltd. and Harrison & Co. Ltd. The issue is completely sold.

J. A. Vachon & Fils—4% and 4½% first mortgage serial bonds, due Jan. 2, 1949-53-63, $130,000, dated Jan. 2, 1948. Offered at $100 and accrued interest by Clement, Guimont Inc.

PREFERRED STOCKS

George Weston—4½% cumulative redeemable preferred shares (par value $100) additional issue. Offered at $100 and accrued dividend by Gairdner & Co. Ltd.; Wood, Gundy & Co. Ltd. and Bell, Gouinlock & Co. Ltd.

COMMON STOCKS

McColl-Frontenac Oil—900,000 common shares (no par value). Offered by McColl-Frontenac Oil Co. at $10 per unit.

Stock Redemption

Company:	Rate	Date	Price
‡Dom. Env. pf.	7%	Mar. 1	55
‡New Method Laundry pf.	6½%	Mar. 1	116.37½*

‡All outstanding shares.
*Including accrued dividends.

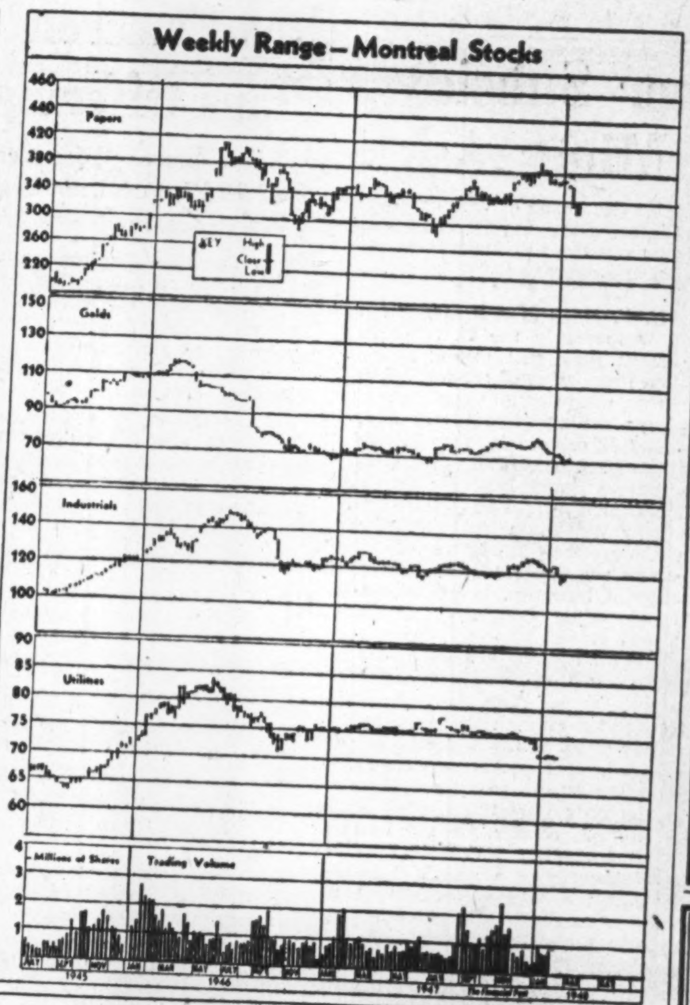
Cory to Resume Manufacture

With an easing of the basic material supply situation, Cory Corp. of Chicago, manufacturers of coffee brewing equipment electric air circulators and humidifiers, are to resume manufacture of their products in Canada.

The Canadian orgnization, Cory Corporation (Canada) Ltd., received its corporate charter Dec. 15, 1947. J. Arthur Crouch is president. Complete manufacturing facilities have been established in a modern plant located at 3300 Dufferin St., Toronto.

The building is one story, 7,000 sq. ft. floor space and an acre of land allows for expansion. About 25 experienced staff have already been engaged. Shortly, it is hoped, the full range of Cory products will be manufactured there, and every effort will be made to use Canadian materials in all phases of the work. So far as the coffee brewers are concerned, only the glass components will have to be imported from the parent factory.

Cory brewers and brewing equipment were manufactured in Canada during 1937-44, until material scarcity halted production.



COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA LIFE ASSURANCE CO. reports new high records in insurance-in-force, new insurance issued and paid for, and total assets in 1947, the company's centennial year.

Total life insurance in force at the end of 1947 was $1,097 millions. The company however has in addition maturity benefits under retirement income bonds not yet matured amounting to $107.6 millions, and immediate and vested annuity contracts providing for annual payment of $3.8 millions. These have a reserve value of over $34 millions.

New paid-for life insurance, excluding revivals, increased policies and dividend additions was $119 millions ($105 millions in 1946). In addition new paid-for retirement income bonds (excluding revivals and increases), guaranteed total maturity benefits of $12.9 millions and considerations for new paid-for immediate annuities amounted to $2.1 millions. The company during the year wrote about 43,935 new contracts benefiting approximately that number of people.

Total receipts from all sources were $53.9 millions, an increase of $3 millions. Both premium income and interest and dividends, etc., were higher.

The company paid out $24.5 millions to living policyholders and beneficiaries. In addition $2.5 millions policy proceeds and other amounts left with the company, were paid out.

Expenses were higher, but mortality experience was described as the best in years. Rate of interest earned on invested assets was slightly lower but Vice-President E. C. Gill remarked that the reduction in the rate from year to year is slowing down.

Important items in the report, with comparisons, follow:

	1947 $	1946 $
Insur. in force	1,096,877,362	1,002,130,754
New insurance	119,322,359	104,799,772
Total receipts	53,934,457	50,916,194
Net Premiums	34,385,206	32,644,765
Int., divds., rents	13,019,973	12,495,119
Policy payments	27,080,940	27,365,434
Expenses	7,617,845	6,688,445
Sh'holders' allot.	197,369†	200,000
Other payments.	2,245,155	1,486,800
Inc. in invested assets‡	15,793,148	15,175,515
Inc. cont. reserve	1,000,000	....
Liabs. to pol'holders inc. pol. res.	340,990,712	325,441,572
Prov. f. pol. divs.	6,650,000	6,725,000
Liabs. to sh'hldrs.	1,450,227	1,452,858
Conting. res.	6,000,000	5,000,000
Total assets	367,448,771	349,748,578
Free surplus	12,357,832	11,129,148
Int. earned	3.81%	3.90%

†After taxes thereon.
‡To provide future policy payments.

MIDLAND & PACIFIC GRAIN CORP. net profit for the year ended July 31, 1948, of $111,831 represented an increase of $6,474 over the previous year. Income from investments amounted to $13,361.

CONS. INCOME ACCOUNT

Years Ended July 31:	1947	1946
Net earnings	$279,575	$283,071
Less: Deprec.	92,739	92,546
Income tax‡	75,005	85,168
Net profit	111,831	105,357
Less: Divds.	147,500	50,000
Deficit for year	35,669	▪55,357
▪Surplus.		
‡Incl. ref. EPT	......	2,971
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.12	$1.05
Incl. ref. EPT	1.12	1.08
Paid	1.47½	0.50

CONDENSED CONS. BALANCE SHEET

As at July 31:	1947	1946
Cash	$430,633	$541,483
Mkt. secs.†	386,365	387,046
Other secs.	680	......
Accts. rec.	165,311	69,731
Inventories	604,592	428,178
Total curr. assets	1,587,581	1,426,438
Misc. assets▲	69,589	67,077
Fixed assets*	577,456	588,079
Total assets	2,234,626	2,081,594
Accts., etc., pay.	349,977	214,188
Taxes pay.	71,159	145,550
Total curr. liabs.	421,136	359,738
Deferred liab.	260,730	175,636
Capital stock	100,000	100,000
Capital surplus	673,086	630,877
Earned surplus▲	779,674	815,343
†Mkt. value	393,803	393,753
*After depr. of	1,673,924	1,577,407
▲Incl. ref. EPT	12,399	12,399
Working capital	1,166,445	1,066,700

BEATTY BROS. net profit for the year ended Aug. 31, 1947, was up 47.3%. This excludes a $90,234 profit on sale of fixed assets and investments. The sharp improvment is a direct result of a substantial increase in volume of sales, President W. G. Beatty states. Material prices and labor rates continued to increase throughout the year and these have not been accompanied by corresponding increases in selling prices, it was stated.

An addition of over 40,000 sq. ft. to the manufacturing department of the head office plant in Fergus, started early in 1947, is almost ready for occupation. Additions to building and equipment at the Spencer Division in Penetanguishene, undertaken in 1946, are now in use. The company purchased the exclusive manufacturing and selling rights, throughout the British Empire, for the automatic washer developed by the Appliance Corp. of America.

Assets, liabilities and operating results of James Stewart Manufacturing Co. have been consolidated with those of the parent company.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1947	1946
Net earnings	$1,502,835	$1,002,964
Less: Res. for tax‡	664,357	420,000
Deprec. on assets	133,973	104,892
Net profit†*	704,505	478,072
Less: Com. (new) div.	69,500	......
Com. div., A	253,500	78,000
Com. div., B	150,000	150,000
Surplus for year	231,505	250,072
‡Incl. ref. EPT	......	16,000

†Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share† and Dividend Record:

	1947	1946
Common:		
Excl. ref. EPT	$5.07	$3.44
Incl. ref. EPT	5.07	3.55
Paid	0.50	....
Cl. A paid	1.50+5.00	2.00
Cl. B paid	1.50	1.50

†Based on present capitalization, after conversion of 39,000 cl. A shs. and 100,000 cl. B shs. into 139,000 common shs. on June 8, 1947.

*Note:—Net profits exclude profit on sale of assets and invests. of $90,234, equal to 65c a sh. in 1947; $85,761, or 62c in 1946.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1947	1946
Cash & govt. bds.	$1,691,075	$2,100,741
Accts. & int. rec.	1,063,011	671,006
Life ins. c.s.v.	298,932	283,390
Inventories	3,102,118	2,126,839
Total curr. assets	6,155,136	5,181,987
Prep. exp.§	51,167	23,936
Misc. assets▲	500,901	283,131
Inv. & adv. sub. co.	15,022	286,232
Fixed assets‡	1,029,252	797,944
Total assets	7,751,478	6,573,230
Bank loan	516,764	......
Accts., tax, etc., pay.	1,229,665	920,669
Total curr. liab.	1,746,429	920,669
Capital stock	1,475,000	1,475,000
Surplus▲	4,530,049	4,177,561
‡After depr. of	1,587,977	1,407,847
▲Incl. ref. EPT	227,796	215,088
§Incl. in curr. assets in co's. report.		
Working capital	4,408,707	4,261,318

GREAT WEST LIFE ASSURANCE CO. reports gains in all departments of its business in 1947. Total business in force, including annuities, was over $1.2 billions, $1,012 millions being insurance, $195.6 millions deferred annuities; largest total in the company's records, and more than double the 1937 figure. New business also set a record, new insurance and annuities aggregating $195.2 millions, $21 millions over 1946 and four times that of 10 years ago.

Vice-president and Managing-director H. W. Manning noted a rapid development in group insurance as evidence of the growing conviction among employers of its necessity as a means of providing for their employees.

The company writes accident and health insurance, and reports its fifth satisfactory year since its entry into this field.

Premium income was $38.6 millions, up $2.1 millions from the previous year. Total income including interest and dividends received etc., was $58.4 millions or 7% above 1946. Total assets reached a new peak at $304 millions. Investments in city mortgages increased $8 millions and holdings of Government, utility and other corporation bonds by $18 millions. Rate of interest earned on invested assets was 3.75%, slightly lower than in 1946. New funds invested in 1947 show a "modest" increase in the rate over 1946. Mortality experience is described as "very favorable," and one of the lowest on record.

	1947 $	1946 $
Business in force	1,207,394,000	1,057,721,000
New business	195,226,000	173,345,000
Total income	58,379,257	54,463,915
Net premiums.	38,573,748	36,454,196
Int. divds., etc.	13,267,402	10,213,129
Policy payments	19,865,380	17,625,196
Inc. in pol. res.	27,405,853	27,564,554
Expenses	8,506,438	7,572,292
Divs. to sh'hldrs.	150,000	150,000
Inc. in surplus	1,531,192	1,551,873
Liabs. to pol'hldrs. inc. actuar. res.	284,776,394	257,824,41
Sp. reserves	584,500	500,000
Liabs. to sh'hldrs.	1,000,000	1,000,000
Other liabs.	3,906,226	3,580,448
Invest. res., etc.	3,250,000	3,250,000
Total assets	304,678,092	275,284,369
Free surplus	11,160,972	9,629,780
Int. earned	3.75%	4.10%

DOMINION OILCLOTH & LINOLEUM CO. net profits were 13.69% higher at $1,329,244 in year ended Oct. 31, when company together with subsidiary and affiliated companies enjoyed a considerable increase in production and sales. Extension to the linoleum plant is practically completed but machinery ordered from the United Kingdom has not yet been delivered. However, delivery is expected shortly and the new plant is expected to be in operation within next 12 to 15 months.

President and Managing Director Arch. F. Baillie says that supply of main raw material—linseed oil—has improved greatly in the past three months and supplies for 1948 should be adequate. Price of linseed is expected to remain very high due to the Government's fixed price of $5 per bushel for flaxseed, President Baillie adds.

A great scarcity exists in other important raw materials such as jute burlap, white pigments, cotton fabrics and felt base. It is expected that supply of these materials will gradually improve so that increasing quantities of company's products will be available in the near future.

INCOME AND SURPLUS ACCOUNT

Years Ended Oct. 31:	1947	1946
Net earnings	$2,019,476	$1,686,681
Less: Depreciation	183,379	121,602
Income taxes	506,853	395,986
Net profit	1,329,244	1,169,093
Less: Com. divds.	1,120,000	1,120,000
Def. divs. prov.	128,000	51,136
Surplus for year	81,244	▪2,043
▪Deficit.		
Earnings per Share and Dividend Record:		
Common*	$1.90	$1.67
Paid	1.60	1.60
Deferred*	2.62	0.61
Paid	1.60	0.64

*Before participation. After participation com. and def. earned $1.70 in 1947; no earnings available for part. in 1946.

Note: An extra dividend of 10 cents a sh. was paid on both classes of stock Jan. 30, 1948.

CONDENSED BALANCE SHEET

As at Oct. 31:	1947	1946
Cash	$592,365	$794,103
Accts. rec.	733,664	627,181
Inventories	2,037,826	1,360,308
Total curr. assets	3,363,855	2,781,592
Subs., etc., invests.	3,820,327	3,820,123
Other invests.	4,873,758	4,759,132
Misc. assets▲	229,760	272,952
Fixed assets*	1,530,948	1,402,906
Total assets	13,818,848	13,036,705
Accts. & tax. pay.	1,063,159	441,112
Def. stk. div. res.	128,000	51,136
Total curr. liab.	1,191,159	492,248
Insurance reserve	910,000	910,000
Capital stock	6,400,000	6,400,000
Capital surplus	776,299	774,541
Earned surplus▲	4,541,160	4,459,916
▲Incl. ref. EPT	226,948	226,948
*After depr. of	3,524,097	3,352,845
Working capital	2,172,666	2,289,344

Life Officers to Meet At Montebello in May

The 55th annual meeting of the Canadian Life Insurance Officers Association will be held May 18-20, at the Seigniory Club, Montebello, Que. Meetings of the Life Agency Officers Section and the Life Insurance Advertisers Section of the association will be held concurrently.

1947 Record Year For Easy Washing

Business handled by Easy Washing Machine Co. in 1947 represented an all-time high and about twice that of the previous year. The large volume reflects new lines of merchandise and a record output of washing machines. Net earnings will be well over double the $1.65 a share reported for 1946, it is stated.

Under the austerity program, a ban on importation of company's U. S. appliance lines went into effect Nov. 18. This will affect first quarter results but operations should be back to normal in the three months ending June 30, 1948. Negotiations are now under way for manufacture of the U. S. appliance lines in this country, it is said. Production of company's floor polisher is expected to commence here within 60 days and that of the Vornado air circulators by April.

Hamilton Junior C. of C. Plans Industrial Fair

Hamilton Junior Chamber of Commerce is preparing for an expected attendance of more than 100,000 at its coming "Industrial Fair" in the Hamilton Armories April 21 to 24 inclusive. The fair promises to be bigger than the last one held in 1937. Coming attractions include the Aluminum Co. of Canada's $50,000 exhibit which has toured Canada from coast to coast, a motor and fashion show, atomic energy display, and television theatre.

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JOHN B. PRYDE
The Imperial Life Assurance Company of Canada announces that John B. Pryde has been appointed an Assistant Superintendent of Agencies. Joining the Company at Windsor, Mr. Pryde was subsequently selected to manage the Kingston Branch of The Imperial Life. He brings to his new post broad experience in the fields of sales and sales management. *

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DOMINION TEXTILE CO. preferred and common shares were regularly listed on the Toronto Stock Exchange Feb. 4. The listing covered 19,406 $100 preferred and 2,430,000 common shares. At the same time both classes of stock were removed from the Curb section of the exchange. Quotations on both classes of stock will therefore be carried in the regularly listed section of the newspapers and not on the Curb as heretofore.

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MINING INVESTMENTS

Give Us Higher Subsidy Eastern Gold Mines Ask

Will gold mines receive an even higher subsidy than that provided under legislation already tabled in the House of Commons? Is such a subsidy justified?

Late last week, R. T. Birks, N. F. Parkinson and E. Larochelle, representing 50 Ontario-Quebec gold mines, met Resources Minister Glen and asked that proposed assistance be increased by permitting subsidy payments to apply to all production in excess of half that in the base period instead of two thirds as at present planned.

On the basis of 1946 production—not allowing for any increase in output beyond the 1946 level—subsidy payments for 50 Ontario and Quebec gold mines would work out at $5,585,966 a year ($2.60 an ounce) against $3,582,962 ($1.67 an ounce) under the present legislative basis, it is stated.

The change requested, of course, would provide greater assistance for every gold mine previously eligible for payments under the subsidy. But it would also have the effect of bringing under the subsidy "umbrella," certain gold mines which would not otherwise be eligible for any payment at all, simply because their output has declined to less than two thirds that in the base year.

This brings up an important point with respect to the application of subsidy payments. A large part of the payments under the subsidy will undoubtedly accrue to mines which, even without the subsidy, would be expanding their output and could get along without it. The mines which have been experiencing a fall in production may get little assistance, even though their costs may be up to $35 an ounce. If the present objective is to tide gold mines over a period of high costs as well as to increase output, any further consideration of the subsidy question should perhaps be devoted to paying greater attention to see that the mines which need aid really get it.

With most gold mines in Ontario introducing a cost-of-living bonus which works out at about $3.36 per week, it is obvious that costs are moving upward once again, and the need for subsidy assistance is greater than ever.

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Labrador Iron Ore Position

Estimates of the tonnage of ore proven up by Labrador Mining & Exploration Co. and Hollinger North Shore Exploration Co. drilling during 1947 have not yet been completed due (a) to the large amount of detail work required in making exact estimates and (b) to the fact that these companies have not yet received all their assay returns.

The Hollinger interests plan to step up the scale of exploration in 1948 well beyond the high level that prevailed this past season. Actual size of the 1948 program, however, may be determined by the number of heavy churn drills that can be secured. These must be brought in from the United States as they are not made in Canada.

While the management has made no definite announcement, it appears logical to conclude that efforts will be made to find out as much as possible about the size and grade of various deposits before arranging funds for carrying out the full production phase of the operation.

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U. S. Base Metal Subsidies?

Apparently the U. S. Government may still renew subsidies on production of copper, lead and zinc, even though these metals are now selling at prices of 21.5, 15 and 12 cents a lb. respectively in the U. S. The House of Representatives Small Business Sub-committee is interested in formulating new legislation for submission to Congress. Supporters of subsidies are expected to move cautiously, however, as a previous bill passed by Congress last spring was vetoed by the President.

Two reasons are given for believing that a new subsidy bill will pass. The United States didn't get anticipated foreign copper when it lifted the U. S. copper import tax. As one Representative expressed it, subsidies are the only way the United States can get copper for the national stockpile.

Backers of a new bill believe that the White House will not veto a subsidy bill which is properly tied to the stockpiling program. The Army and Navy Munitions Board now has a positive attitude toward subsidy production of copper, lead and zinc for the stockpile, House leaders maintain. This board did not support such a program in the last session.

The fact that the United States continues so "hard up" for base metals, suggests that present level of metal prices is likely to be maintained for a long time to come. With the stimulus of high prices, it will not be surprising if, in the next few years, Canadian production moves far beyond anything known for these metals.

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Ladies Get Attention

Women visitors to the 16th annual convention of the Prospectors and Developers Association (Mar. 8 to 10) are to be given special consideration this year. Some 200 to 300 wives of the delegates are to hear a special luncheon address by Miss Kate Aitken on "Glimpses of the Royal Wedding," and to witness a Spring Fashion show at Eaton's Auritorium.

Don Cameron Plans Offering

To Finance Discovery of 1947, Continue Present Program

Don Cameron Exploration Co. which made an interesting gold-silver discovery in the Northwest Territories in 1947 plans an initial public offering of its shares at 30 cents net to the treasury, The Financial Post is informed.

The offering is expected to cover a total of 800,000 shares at 30 cents with options granted to subscribers to purchase one additional share at 30 cents for each three shares held.

Don Cameron Exploration Co., financed previously by Frobisher Ltd., Trans-American Mining Corp. and other large mining interests, is expected to concentrate its chief 1948 efforts on its gold-silver discovery at Ennadai Lake, 400 miles almost due north of Flin Flon, Manitoba. The company has staked 58 claims there and holds two four-square-mile reservations in this area.

Traced Down Values

The clue to deposition of gold and silver in the area was provided by a number of boulders whose source has apparently been established. D. M. MacKeracher, Chief Geologist, in his report, outlined the discovery of values "in place" as follows:

"Angular boulders carrying good values in gold and silver were first located by Lothrop. Observations elsewhere in the area indicated that such float was close to its point of origin. With very few exceptions it had come from the northeast. The larger boulders were tied in by compass pace methods to a taped base line and locations plotted to a scale of 200 ft. to the inch. Distribution of the boulders suggested that they had come from a 2,000-ft. length of swamp-filled valley lying a short distance to the east. Two pits blasted to bed rock through 9 ft. of water-filled swamp confirmed the existence of a gold and silver-bearing zone beneath the swamp. Representative material from the pits ran from 0.13 oz./ton to 1.89 oz./ton in gold and from 1.11 oz./ton to 8.89 oz./ton in silver. Representative samples from float ran from 0.06 oz./ton to 8.20 oz./ton in gold and from 0.40 oz./ton to 23.66 oz./ton in silver. There were no blanks from either set of samples.

"Neither pit exposed the whole width of the zone but a 10-ft. section was exposed in pit No. 1. Boulders suggest a 2,000-ft. length of gold-bearing ground. To the northeast the shear strikes into the Lake, while to the southwest it runs into heavy overburden. Gold has been panned from similar frost heaved material on what could be the southwest extension of the shear and a number of small gold occurrences are known close to its projected line of strike."

After further surface exploration, a program of diamond drilling is proposed for the showings.

A total of $225,733 has been raised for the company's operations since incorporation. The company has a total of three million shares authorized of which 1,100,000 shares are reported issued. President is A. Kelso Roberts, MPP, Toronto barrister. Vice-president is Donald W. Cameron, one of Canada's best known prospectors.

Power Cut Hits Falconbridge

Norway Refinery Unaffected But 2 Weeks' Stoppage Here

As an alternative to laying off approximately 325 men until the end of April, Falconbridge Nickel Mines is shutting down its mining and smelting operations in the Sudbury district for two weeks, starting Feb. 2. This drastic step has been necessitated by order of the Hydro-Electric Power Commission that power use must be reduced to 85% of November usage until the spring break-up fills water reservoirs again.

While it is not the policy of the company to require employees to take their holidays during the shutdown period, those who wish to do so are being accommodated by the company.

Had Two Alternatives

In a statement issued to employees, the Falconbridge management outlined the situation to employees as follows:

'The manner in which this power is saved is left to the individual consumer. This company has only two alternatives—first, to shut down all operations as completely as possible for 14 days and thereafter to save as much as possible in the hope that will suffice, or, second, to drastically reduce our production rate for the period. Since we have been operating for several months with an inadequate power supply this reduction will involve immediate laying off of approximately 325 men until about the end of April.

"In view of the fact that all industry will be curtailed because of this power shortage, and considering the season of the year, we and your union believe it would be in the best interests of all concerned to take a two weeks' shutdown rather than to lay off this number of men at a time when they probably would find it extremely difficult, if not impossible, to find other employment. This temporary shutdown involves heavy expenses to the company as well as the risk that the plant may be seriously damaged.

"Accordingly, all operations involving the use of power, other than those absolutely essential for maintenance and the safeguarding of property, will be suspended from Feb. 2 until the morning of Feb. 16. Repairs undertaken during the shutdown period will be limited to those that can be carried on with a minimum of power requirements. The company will endeavor to employ as many men as possible on clean-up and repair work in an equitable manner."

The shutdown of operations at the mine and smelter at Falconbridge will not involve any curtailment in the rate of production of refined metals since the refining operations are carried on in Norway and sufficient stocks of matte are available to keep the refinery in continuous operation at the same production level.

Powell Studies Mill Reopening

Directors of Powell Rouyn Gold Mines have plans under consideration for early reopening of the mill, either to treat custom ore or to take care of company's production in excess of requirements of Noranda smelter.

Concentrated exploration of the property is continuing for copper sulphide deposits. Hole P-103, located in north-central portion of the property, encountered a sulphide zone carrying low values in silver, copper and zinc. The zone extended from a hole depth of 51 ft. to 173 ft., which represents a horizontal width of 85 ft. The most interesting section was from 116.5 to 173 ft. which assayed 0.251 oz. silver, 0.231% copper and 0.185% zinc.

Underground development in the final three months of 1947 established new ore as follows: 66.4 ft. averaging $6.16 across 4 ft. on 2,000-ft. level; 96 ft. of $4.10 ore across 7.2 ft. on 2,150-level and 25 ft. running $4.84 over 4.1 ft. on 2,450-ft. level.

Bullion production, after metallurgical loss and silica allowance, totalled $97,994 from treating 19,996 tons in final quarter of 1947.

Hedley Mascot's Finances Keep Up

Revenues from production have continued to meet all operating costs, Hedley Mascot Gold Mines reports. Consequently, after capital expenditures during 1947 of between $60,000 and $70,000, working capital position shows the funds raised by sale of 325,000 treasury shares at $1 last April to be virtually intact.

Capital expenditures included the last payment of $47,250 on the Good Hope claims, $5,000 for the Horsefly and $3,600 for the Nighthawk. All the mill feed is coming from the Mascot fraction during the winter months. Shipment from the other sources will be resumed as soon as surface conditions permit, it is stated.

OIL PRODUCTION

Imperial Woodbend Well Shows Great Potential

From Our Own Correspondent

CALGARY—Imperial Oil has an open flow potential of over 2,200 bbls. per day at its Imperial-Woodbend No. 1 discovery well, completed in the D3 zone of the Devonian in L.S.D. 5 15-51-26w4, some three miles northwest of the proved limits of the Leduc field.

The big new well was kicked off Jan. 28 after being swabbed down to the 3,600-ft. level. It was turned into the separator, produced 91 bbls. of oil in the first hour, 77 bbls in the second hour with gas flow rate of 1,225,000 cu. ft. per day. An eight-hour open-flow run was then made at the rate of 2,230 bbls. per day.

Back pressure was then applied and, during the next eight hours, the well produced 562 bbls., an average of 70 bbls. hourly), with tubing pressure 400 pounds. The well was produced a further four hours under back pressure at about 65 bbls. hourly, and was then shut in. The well will go on steady production when loaded storage tanks have been cleared, and the drilling rig has been dismantled.

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Imperial No. 29, a Big One

Imperial-Leduc No. 29 L.S.D. 7 34-50-26w4, south offset of the lush Globe-Leduc West No. 3 D3 zone producer, started on production Jan. 29 with one of the largest flush flows yet recorded in the Leduc field. Imperial No. 29 on first six hours of open flow, averaged 116 bbls per hour, to establish an open flow flush potential of 2,784 bbls. daily rate.

Imperial-Leduc No. 30, recent D3 zone completion, also rates among the big wells of the field. The No. 30 kicked off Jan. 27, and initial potential was established at 65 bbls. per hour (equivalent to 1,560 bbls. daily) on a five-hour open flow test.

Imperial-Leduc No. 31 was kicked off from D3 zone, on Jan. 25. Initial potential, as determined by an eight-hour flow run, is 43 bbls. per hour a little over 1,000 bbls. per day.

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Rio Bravo Starts

The Rio Bravo Oil Co., unit of Superior Oil Co. of California, will initiate a geophysical program in Alberta in the next few weeks. Rio Bravo is bringing in two Seismograph parties, one a company party, the other a contract party, to work extensive reservations acquired in 1947 on the South and Central Alberta Plains.

The first party will start work on the company's holdings in the Stettler-Castor-Gadsby-Sullivan Lake Region. Rio Bravo entered Alberta in 1943 and, during the past five years, has conducted an active geological survey program through the Alberta foothills belt. Rio Bravo has done no drilling as yet in Alberta, but Socony-Vacuum is now drilling a wildcat on Rio Bravo lands at Stimson Creek, south of Turner Valley, under a development agreement. It is expected that Rio Bravo's 1947 operations will show a substantial increase over the activity of the company in previous years.

• • •

New Leduc "Wildcat"

Imperial Oil has staked location for another try on another "seismic high" in the Alberta Basin. The new wildcat is Imperial-Eyot No. 1, to be drilled in L.S.D. 3 28-48-25w4. The site is about 11 miles southeast of the Leduc oilfield, the Seismograph anomaly that yielded an oil discovery a year ago and since became a major field. Imperial is now digging cellar and sump at the Eyot location. The new company's own rig, last used at the Imperial-Battle Lake failure, will drill the new venture.

The Eyot venture has special interest for a number of independent oil companies, who have holdings within a three mile radius of the well-site. These include Royal Canadian Oils, Valley Oil Operators, Granleduc Oils, Maple Leaf Oils, Continental Oil Co. of Canada, Okalta Oils, National Petroleums, Calmont-Leduc Oils, Arrow Oil Co. and others. Imperial Oil, of course, is the dominant owner of oil rights in the vicinity of its new wildcat.

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Okalta Gets Leduc Ground

Okalta Oils Limited, one of Canada's pioneer independent oil producing companies, has reached an agreement with owners of 240 acres of freehold rights south of the Leduc oil field, and is embarking on a drilling program immediately.

The agreement involves the southeast quarter and legal subdivisions 9 and 10, of section 33 twp. 49 rge. 26w4. The 240-acre block is located 1½ miles south of the current southern boundary of the Leduc field marked by the East Leduc-South Brazeau Nos. 1 and 3 wells and the Continental-Leduc No. 1.

Anaconda Oils owns lease on 80 acres involved in the agreement, while Fay Becker holds 80 acres, and W. S. Henderson and J. R. Hammill share the third 80 acres. Under the agreement, Okalta will develop the properties. Terms of the agreement have not been announced.

Okalta will waste no time starting development. Initial well to be known as Okalta-Leduc No. 2. will probably be drilled in L.S.D. 10, at the northwest corner of the block. Okalta's own drilling rig, and a stock of casing, are now at Okalta-Leduc No. 1 wellsite, four miles northeast of the new location. This equipment will be moved in as soon as the road is ready.

Increase in Use of Iron Ore Boosts Need for New Mines

Because consumption of iron ore in the United States and Canada increased sharply during 1947, more concern than ever is being voiced over shrinking reserves of high-grade iron ore in the United States.

Walter S. Tower, president, American Iron and Steel Institute, told the American Institute of Mining and Metallurgical Engineers in New York, that "without increased quantities of raw materials, recent and prospective expansions of capacity will be valueless as regards increased output of steel."

"Suppose, for example, that the (U. S.) industry a year hence were called upon to produce to the limit of the 96 million tons of capacity which are expected to be available before the end of 1949," Mr. Tower continued. "To do that job, the industry would need about 115 million tons of iron ore and more than 100 million tons of coal, a minimum of 20 million tons of marketable scrap and huge quantities of fuel oil, natural gas and electrical energy. The industry has not had such supplies of materials in any year . . ."

Use Up 18 Million Tons

While United States and Canadian iron ore production showed a substantial increase in 1947, nothing like the 115 million tons visualized by Mr. Tower was turned out. Consumption of Lake Superior district iron ores in American and Canadian furnaces during 1947 was 80,806,627 tons (62,093,056 tons in 1946), the Lake Superior Iron Ore Association reports. Total stocks of ore on hand at furnaces in the United States and Canada as of Jan. 1, 1948, was 31,748,756 tons (33,056,025 on Jan. 1, 1947). Of the latest total, 1,342,472 tons were on hand at furnaces in Canada.

U. S. steel enterprises are increasingly on the outlook for sources of iron ore supply in Canada. The Dominion Government is understood to be willing to assist any program which means an increasing flow of U. S. dollars to Canada for iron ore.

COMPANY REPORT

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MACLEOD-COCKSHUTT GOLD MINES development on 13th or bottom level in 1947 was most encouraging, and work so far has indicated a grade of ore higher than mine average, President F. G. MacLeod states. Development during the year included sinking No. 1 shaft below 11th level, to open the two new levels and drifting in ore on 8th, 9th, 10th and 11th levels.

The company treated a larger tonnage of lower grade ore, and, while operating costs were higher, final net loss was about half of 1946 loss. Considerable mechanized equipment was purchased and installed for underground operations.

INCOME ACCOUNT

Years Ended Sept. 30:	1947	1946
Bullion recov.	$1,482,375	$879,868
Less: Marketing	12,924	9,783
Net production	1,469,451	870,085
Less: Oper. exps.	1,453,754	1,050,970
Oper. profit	15,697	*180,885
Add: Sundry rev.	6,548	11,197
Less: Deprec.	121,382	117,875
Extra devel.	26,940	17,960
Net loss & deficit	126,077	305,523
*Loss.		
Earned per Share	d$0.044	d$0.107
None paid.		

CONDENSED BALANCE SHEET

As at Sept. 30:	1947	1946
Cash & bullion	$215,659	$223,698
Accts. rec.	7,633	8,774
Dom. bonds	200,000	200,000
Mat. & supplies	246,344	276,032
Total curr. assets	669,636	708,504
Prep. & def. chgs.	27,347	21,439
Def. develop.	44,238	71,179
Investments	15,403	17,003
Claims & props.	1,083,671	1,083,671
Plant & equip.▲	945,111	999,061
Total assets	2,785,406	2,900,857
Total curr. liab.	97,545	84,250
Capital stock	2,663,098	2,663,098
Earned surplus	24,763	153,509
▲After depr. of	1,482,527	1,362,345
Working capital	572,091	624,254

OPERATING STATISTICS

	1947	1946
Tons milled	207,297	111,908
Average recovery	$7.15	$7.86
Ore reserves, tons	845,614	1,030,000
Grade ($35 gold)	$7.11	$7.07

NORTHERN TRUSTS CO. net profits slipped $3,706 to $64,948 in 1947. Estates, trusts and agencies under administration totalled $15,875,503, up from $14,990,738 at end of 1946. Mortgages and sales agreements were $84,404 lower at $380,739. Realty for sale was slightly lower at $8,400.

	1947	1946
Liab. to public, etc.*	$148,608	$191,101
Shareholders' equity	‡1,717,481	1,655,701
*Secured by:		
Mtges. & sls. agree.	380,739	465,143
Office premises	10,500	10,875
Realty for sale	8,400	11,006
Liquid assets†	1,466,450	1,359,778
Total	1,866,089	1,846,802
†Includes bonds and stocks.		
‡Includes $50,000 staff retire. reserve.		
Estates account	15,875,503	14,990,738
Earned per share	$1.30	$1.37
Paid	0.80	0.80

Central Cadillac Broadens Program

With a full complement of manpower for the first time since commencement of milling operations, Central Cadillac plans to carry out a new development program which will include extension of the shaft to the 1,000-ft. horizon and the opening of indicated quartz and sulphide ore lenses below the 625-ft. level, President Gerald McTeigue reports.

Four ore zones which were drilled some time ago and recently checked by further drilling are to be developed by immediate stoping. The west extension of the 6-4-C-7 zone shows an average of $5.57 over 8.5 ft. in one drill hole and a raise. A zone below the 625-ft. level has returned an average of $12.40 over 5.6 ft. in five drill holes. The westward extension of 5-1-C-11 has returned an average of $6.63 over 9.3 ft. in three drill holes while the zone below the 750-ft. level shows an average of $13.55 over 7.8 ft., in six drill holes, it is stated.

During the three months ended Dec. 31, 1947, there were 22,952 tons of ore milled for a recovery of $107,568. The mill is currently operating at the rate of 275 to 300 tons daily, Mr. McTeigue reports.

LAKE SHORE MINES has declared a dividend of 18 cents per share, payable March 15, to shareholders of record Feb. 14.

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Negus Crosscut Enters High Grade Ore In Apparent Extension of Giant Zone

An event of historic importance in the life of Yellowknife has occurred in recent days with final opening up underground by Negus Mines of the apparent faulted extension of the famous Giant shearing on the west side of the great north-south striking West Bay fault.

Extension of the Giant shear on Negus ground has now been tapped by the long Negus east crosscut on the 13th (1,775-ft.) level. Values are fully comparable to those secured in preliminary drilling which established the presence of the shear at Negus. Actually the faulted section of shear being developed is three miles from Giant due to movement along the West Bay fault.

Intersection of the zone underground culminates a two-year program of surface drilling, nearly 700 ft. of shaft sinking and more than 1,000 ft. of crosscutting to tap this new ore zone. It coincides with the doubling of mill capacity, scheduled for completion by Feb. 15.

Two Ore Sections Cut

After driving the east crosscut a distance of over 1,000 ft., two ore sections have been traversed within the 500-ft. wide shear zone. The first ore section comprised 11 ft. averaging $12.43 a ton (0.355 oz.) while the second shows 2.5 ft. averaging $38.50 (1.10 oz.) 16 ft. further on.

The shear had previously been cut "up the dip" by a surface drill hole, No. S-88, and by a lower underground drill hole, No. 10—1, put out from a lower level station. No. S-88 gave as its main intersection 4.5 ft. of $24.85 (0.71 oz.) and 12 ft. farther on 2.5 ft of $21.00 (0.60 oz.) in a 12.5-ft. zone averaging $8.75 (0.25 oz.).

The lower drill hole, No. 10—1, gave its main intersection 1.5 ft. of $67.90 (1.94 oz.) and 15 ft. farther on 3.5 ft. of $9.80 (0.28 oz.).

The intersections in the surface drill hole; in the crosscut about 500 ft. down dip along the shear; and in the underground hole which cut the zone a further 500 ft. down the shear on its westerly dip—all line up remarkably well. Two good grade continuous zones are thus indicated in the big new shear zone.

Assuming that these zones will extend a further 100 ft. up from the surface hole and 100 ft. down dip below the underground hole, the zones possess an ore-bearing zone "height" of 1,200 ft. The zones which should have a north-south strike the same as the shear, are gradually nearing the shaft with depth (on their westerly dip) and will probably cross the shaft at a depth of about 2,000 ft. This will facilitate mining the new ore bodies at depth.

Continuing Crosscut

The east crosscut at the 1,775-ft. level is not yet quite through the wide shear zone and will be continued a short distance farther before it is discontinued. Drifting along the zone will then commence while diamond drilling will be carried out to explore untested country to the east up to the West Bay fault, and possibly beyond.

It is expected that development procedure will embrace the carrying of one drift south and another north along one of the two good grade zones. The remaining zone will be explored by horizontal drill holes put out from the drift. Raising on ore will permit the opening of sub-levels and facilitate preparation of stopes.

Officially the boost in capacity of the Negus mill is from 70 to 125 tons daily. In practice however it is expected that the enlarged mill will permit treatment of as much as 150 tons of ore a day. The increased capacity will treat ore from the new zone just as rapidly as this becomes available.

More News Coming?

Negus appears to be getting into a position where quite an amount of ore news could be made in the near future.

A crosscut is being put out to the west on the 11th level and is expected to be into the Negus main vein in perhaps a couple of weeks' time. A crosscut is also going out to the new shear to the east at the 11th level and should reach its objective in about two months. This will provide a second entry to the new shear, and will assist ventilation. Other drilling is proceeding.

The Negus management is leaving no stone unturned in efforts to establish the larger possibilities for ore deposition.

When work becomes more advanced at the 1,775-ft. level in the new shear, the south drift from the crosscut will likely become the base for deep diamond drilling to pick up other suspected ore deposition. To the southwest of its main property, Negus has its Banks-Estra option which is considered highly potential mining ground. It would not be surprising if a program of diamond drilling were to be completed in this sector during the coming summer.

The entire Negus program has been completed without disturbing the issued capital of 1,997,000 shares. It is entirely unlikely that the remaining 1,003,000 unissued shares in the treasury will be touched unless some major new development of a favorable character should make the raising of additional funds imperative for expanding production horizons.

Quebec Issues Three Geological Reports

Quebec Minister of Mines Hon. Jonathan Robinson has released three preliminary geological reports on mining areas in the province. Copies of the reports may be obtained from the Department of Mines, Quebec City.

The report covering the Duparquet Lake map area, west part of Duparquet twp., gives an outline of results of a detailed geological study of some 35 square miles in an area that included the Beattie mine. The Olga Lake area, comprising some 225 square miles, was investigated by Geologist P. E. Imbault. Volcanic and sedimentary rocks of Keewatin type underlie various sections of the area.

The report on mining properties and development in Abitibi and Temiscamingue counties covers 94 properties. In each case, the report describes briefly the location, size, means of access, geology, development work and mineral deposits.

MINING CONCENTRATES

ASHLEY GOLD & OIL MINERALS Jan. 17 installment of 100,000 shares at 20 cents a share has been converted into an underwriting on same number of shares at 12 cents a share, payable forthwith. Upon issue of this block of stock, issued capital will be 3,950,000 shares.

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BLADE YELLOWKNIFE GOLD MINES advises that surface work carried out on the "C" group of 12 claims west of Yellowknife Bay has given sufficient indications to warrant an extensive program of surface trenching and prospecting. Mine Manager James McAvoy has recommended a similar program for the "MB" group of six claims located south of Consolidated Smelters' Ptarmigan mine. Officers reelected: Robert W. Alexander, president; Edward Wilkins, vice-president; S. J. Boyde, secretary-treasurer; Arthur W. Greenslade and L. Isaacs, directors.

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ANGUS MINES advises that James A. Robb has been granted an option on 600,000 shares at 40 cents a share, payable 75,000 shares per month. T. H. Higginson has received an option on 200,000 shares at 20 cents. Issued capital is 1,138,441 shares and escrowed stock totals 1,013,434 shares.

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B. C. PEAT CO. has changed its name to Atkins & Durbrow Ltd.

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CREWE MINING & DEVELOPMENT CO. particulars on sale of shares to public through any registered broker in Ontario on basis of 75% of proceeds going into the treasury, have been accepted for filing by Ontario Securities Commission.

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CONCORD MINES is arranging for an electro-magnetic survey for its property located at Windy Lake, about 135 miles northeast of Senneterre, Que. The company plans determining best concentration of minerals, preparatory to diamond drilling.

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CENTREMAQUE GOLD MINES Jan. 17 installment on 66,666 shares at 15 cents a share and subsequent installments, have been extended for one month.

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CRESTAURUM MINES advises that date for payment of $300,000 principal amount of debentures due Jan. 1, 1948, has been extended to Jan. 1, 1950.

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DISCOVERY YELLOWKNIFE MINES balance of Jan. 15 installment on 65,000 shares at 80 cents a share has not been exercised and agreement with Stuyvesant-North Ltd. has been terminated by default.

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DENISON NICKEL MINES Jan. 14 installment of 100,000 shares at 20 cents a share has not been exercised and agreement with Stuyvesant-North Ltd. has been terminated by default.

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DOME MINES estimated net profits totalled $2,113,509, or $1.09 a share in 1947 ($2,051,728, or $1.05 in 1946). Bullion production amounted to $5,601,804 from 595,200 tons of ore milled ($5,448,935 from 573,400 tons).

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DALLAS YELLOWKNIFE GOLD MINES says that Mine Manager James McAvoy has recommended geological mapping, further surface trenching and prospecting and diamond drilling for the Penny group of claims at Prosperous Lake, N.W.T. Officers: Edward Wilkins, president; Robert W. Alexander, vice-president; S. J. Boyde, secretary-treasurer; Arthur W. Greenslade and Chas. H. McNellen, directors.

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EUREKA CORP. advises that 80,000 shares have been allotted to a subscriber resident in the United States at $2 a share. Upon issue of these shares, issued capital will be 3,373,190 shares.

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ELDONA GOLD MINES has completed 11 vertical drill holes below 500-ft. level with nine reported to have cut the indicated main ore body in the new zone. The holes suggest an average width of 25.4 ft. grading $17.63 in combined gold, sliver and zinc values. Two holes passed through disseminated sulphides on the margins of the main ore body. Twelve angle drill holes across the zone covering a length of 400 ft., penetrated ore at vertical depths of 80 to 530 ft. below the 500-ft. level. A second ore zone has been indicated by angle holes approximately 125 ft. south of the area explored by vertical drilling, and will be developed from the new levels, the company states. Deepening of shaft from 500 to 1,025 ft. is making good progress.

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GOLDVUE MINES has received payment for 50,000 shares at 25 cents. Issued capital — 3,212,005 shares.

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GOLDHAWK PORCUPINE MINES Jan. 22 installment for 100,000 shares at 15 cents a share has not been exercised and balance of agreement has been terminated for default.

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KEKELAC GOLD MINES advises that option agreement with John Shannon has been cancelled for default.

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LAMAQUE GOLD MINES showed an estimated net profit of $499,010, equal to 16.6 cents a share in 1947 ($291,108, or 10 cents a share in 1946). Bullion output amounted to $1,785,746 during 1947 when 209,495 tons of ore were milled and average recovery was $8.52. Output in 1946 totalled $1,357,938 from 145,315 tons milled, an average recovery of $9.34. Ore reserves remained practically unchanged.

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MACDONALD MINES is developing new sulphide ore body on 925-ft. level and preparing for deep drilling below the level to prove depth continuity, President Carlton Street states. No. 1 ore body is being blocked out on 325-ft. level, preparatory to mining. Dr Street states that no reorganization of the company is contemplated, and that ample funds are on hand to continue present development.

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MACDONALD MINES Dec. 12 and Jan. 12 installments have not been exercised.

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MCINTYRE PORCUPINE MINES reports net income of $609,109, or 76 cents a share in three months ended Dec. 31 ($556,665, or 70 cents a share in previous three months). Net income totalled $1,755,824, or $2.20 a share in nine months ended Dec. 31, 1947 ($1,459,555, or $1.83 a share in similar period of 1946).

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PORCUPINE PENINSULAR GOLD MINES has received payment for Jan. 30 installment of 84,095 shares at 25 cents a share. Issued capital — 3,663,617 shares.

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PINEBRAYLE GOLD MINES has secured sufficient funds to carry out initial phase of underground development on its Bridge River property, Secretary-treasurer N. H. McDiarmid states. An initial payment of $6,000 has been received from Seattle interests who still hold an option on an additional 300,000 shares. Underground work is to be concentrated on drifting toward an area where a recent drill hole returned 0.50 oz. gold per ton.

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QUEBEC MANGANESE MINES advises that in view of results of diamond drilling on company's Magdalen Islands property, Managing-Director J. W. Storer has requested that a manganese expert be retained as a consultant.

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KENO HILL MINING CO. has received payment for 133,333 shares at 50 cents. Issued capital is four million shares.

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SANNORM MINES balance of option outstanding to Federal Trading & Agency Co. on 2,035,000 shares at prices ranging from 15 to 75 cents a share, has been assigned to Davenport Traders Ltd.

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TRIDENT PORCUPINE GOLD MINES has started drilling its property in Turnbull twp. to test several anomalies recently indicated from magnetometric survey. Work is also planned for group of claims held in Bristol twp., a short distance from main holdings.

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TECK-HUGHES GOLD MINES reports an estimated net profit of $399,749, or 8.32 cents a share in 1947 ($528,105, or 11 cents a share in 1946). Bullion production totalled $1,049,384 from treating 71,360 tons of ore, an average recovery of $14.70 gold per ton ($1,093,701 from 91,302 tons milled and $11.97 gold). Ore reserves were estimated at 250,247 tons at Dec. 31, 1947, a drop of 5% from the previous year.

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VIKING YELLOWKNIFE GOLD MINES has received payment from Yarwood Ltd. on 200,000 shares at 25 cents and has granted option on 1.4 million shares.

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WENDMAR GOLD MINES advises that six-month extension on agreement with Industro-Mining Investments has been cancelled by mutual consent.

J. M. COCHRANE

has been appointed a director of Ford Motor Co. of Canada, with which he has been connected since 1923.

Kerr Profits Up In Last Quarter

Estimated net profits of Kerr-Addison Gold Mines were slightly higher at $458,309, or 9.7 cents a share in the final three months of 1947, up from $438,783, or 9.3 cents in the third quarter. The mill handled 204,480 tons of ore in last quarter, an average of 2,223 tons daily . . . a record for the mine.

Construction work fell behind schedule with the start of mill steel erection just getting under way at the end of January. Improved labor supply speeded up underground development, and broken ore reserves increased 32,585 tons to 874,826 tons. Results of diamond drilling from the main haulage drift on 1,750- and 1,900-ft. levels have been satisfactory.

The company may experience a cut in hydro power due to a serious lack of water in the hydro storage basins. This could result in a reduction of daily tonnage milled for a few weeks, as underground work will be continued on a full-scale basis to prepare the mine for future production at 4,000 tons daily.

Mountain Crest Gives Iridium & Gold Values

Mountain Crest Mines in a letter over the signature of Geo. E. Doran, secretary-treasurer, reports that assays of 74 samples by Sidney K. Trohn of the S. K. Trohn Refining Co. of New York have returned values in gold, iridium and tin. Molybdenum is also reported present.

Norman R. Fisher, consulting engineer, reporting on Trohn's assays states that all 74 samples contained tin but in no instance more than 0.23%. A total of 51 samples were reported to contain gold values from a trace up to 0.08 oz. Seven samples were stated to contain .002 to 1.16 oz. iridium to the ton while 42 samples were stated to contain silver values up to 0.11 oz. to the ton. Mr. Fisher reports that Mr. Trohn later reported securing values as follows from a "composite" of 23 samples: Gold, 0.42 oz; iridium, 1.64 oz; tin, 0.32%; silver, 0.71 oz.

Questioned as to an apparent discrepancy in sampling results, Mr. Trohn is stated to have replied to Mr. Fisher: "There appears to be a discrepancy between the individual assays and the assays of the composite sample, but this is only apparent."

Pinebrayle Starts On Ogden Vein Tunnel

Driving of the tunnel on the Ogden vein at Pinebrayle Gold Mines is now under way, Secretary N. H. McDiarmid informs The Financial Post. With all necessary machinery and equipment installed, it is expected that progress will average 175 ft. a month.

The objective of this 1100-ft tunnel is the intersection of the north-south and east-west veins on which the tunnel is being driven where values were disclosed by diamond drilling.

PEN-REY GOLD MINES balance of option outstanding to Stuyvesant-North, comprising 250,000 shares at 22½ cents, 30 cents and 35 cents a share, has been cancelled. By Jan. 27 agreement with same company, 100,000 shares have been underwritten at 12½ cents a share and 650,000 shares optioned at 15 to 40 cents per share.

N. B.'s Mineral Output Higher

Valuation of New Brunswick's mineral production was appreciably higher in 1947, Minister of Lands and Mines R. J. Gill informs The Financial Post. Total valuation of all minerals, including coal, oil, natural gas, gypsum, clay products and peat moss, was approximately $5 millions.

Hillsborough produced the greatest volume of gypsum in the area's history, at 81,000 tons. Tonnage output of coal was slightly lower but dollar value was up over 1946. A strike at the Minto-Chipman coal fields early in 1947 accounted mainly for drop in production.

Output of nonmetallic, clay products and other structural or industrial minerals, was slightly higher, with a marked increase in dollar value. Production: Gypsum, 81,000 tons, $484,380; natural gas, 506,466,000 cu. ft., $243,100; petroleum (crude), 24,878, $34,829; limestone (quick and hydrated limes) 122,273 tons, $422,045; stone, 66,920 tons, $134,106; peat moss, 2,730 tons, $97,065; sand and gravel, 2,546,960 tons, $942,165.

Of special interest last year, was the mining of 1,000 tons of bog manganese.

BIDGOOD KIRKLAND GOLD MINES has intersected upward extension of No. 3 section of No. 21 vein on both 1,900- and 1,775-ft. levels on south side of porphyry dyke. Ore at these levels is reported similar in character as on 2,025-ft. level, showing much fine visible gold, company states.

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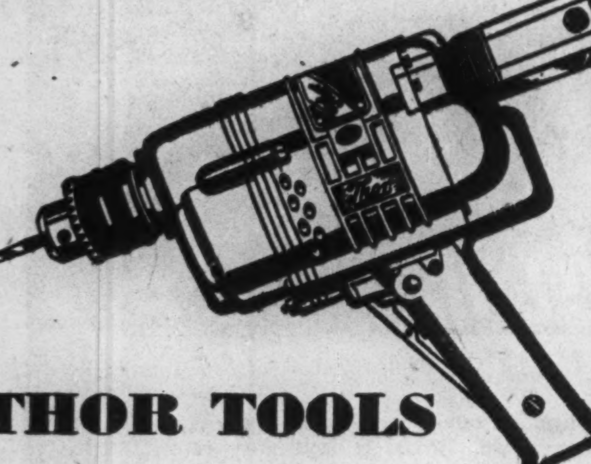
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P117
O'Keefe's BREWING COMPANY LIMITED

Socialists Wooing Dollar Tourists; May Draft Writers for Coal Mines?

LONDON—We are not going to have any petrol for our cars this year. After all the petitioning, demonstrating, forecasting and hoping with which the vexed topic has been surrounded for months, the unwelcome and decisive decision has hit us like a cold damp wind of a January which suddenly stopped being mild.

There is a deal of speculation in and about wildly artificial prices which secondhand cars have been fetching in this topsy-turvy order, where a new car placed on order may take anything from two to five years to materialize. People have been getting £400 for 11-year old 22 Ford V8's and, with restricted petrol, smaller models cost proportionately even more. Prices are up between 75% and 100% from six years ago and now it looks as if these values are going to come crashing down.

There is not too much to set against the indefinite prolonging of this ban that has so constricted our social life. We may be able to travel abroad again in the summer, if we don't spend more than £37. But even that is uncertain.

The potato shortage, which is mainly the result of last year's floods which devastsated the potato growing counties in East Anglia and cannot fairly be blamed on the Government, is getting more acute. Bread, of a singularly uninteresting quality, if that word can be used, may be increased, though there seems to have been plenty of it around. But we are likely to get even less meat. It is significant of our state that the promised issue of one extra ounce a week of margarine should be plastered across the papers in headlines.

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Government Tactless In Wooing Tourists

But while our rulers do not want us to travel to other countries, they have been making a strenuous and clumsy effort to persuade people from other countries to come and have a look at us. The prize for tactlessness and bad manners goes to the President of the Board of Trade, Mr. Harold Wilson, who has just said that the Government intends to favor visitors with dollars over others; truly a charming gesture to those Europeans who fought for us in the resistance movement.

The Daily Mail is anxious to know just how this plan is to work out. Shall we have special luxury hotels placarded "Natives and dogs keep out" like the "Jews not wanted here" notices of Nazi Germany. If so, there will be quite a number of people trying to acquire American accents this spring.

Before the war, tourists in Europe were getting slightly irritated at the attitude that labelled them as an industry. But this must be the most blatant avowal that someone in a responsible position is prepared to welcome our guests in direct proportion to the amount that we can get out of them, that has ever been recorded. I hope nobody is going to think that it represents the mind of Britain.

Actually, this is not such a bad country for the visitor as one might imagine. Even the petrol ban has its advantages; so has the building shortage, though not, of course, for the native. You can now see this country with its lanes and byways undisturbed by passing motor cars and its fields unspoiled by ribbons of hideous little speculator-built houses. We are back to something like the real England, instead of the rather inferior copy of the United States which parts of Britain along the highways were beginning to resemble, up to the war.

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Will Bureaucracy Conscript 'Genius'?

The war! No one talks of it now, no one wants to read about it or hear of it. This has been one of the hardest blows which has hit our young writers. A writer, to be sincere, must draw on his own experience, and for many, the war formed the sum total of their experience. This, on top of the paper shortage, is a hard blow to any creative writing from this generation. But there may be one harder still. The Government has called on everyone not gainfully employed to register at Labor Exchanges.

Is a genius whose works are always being rejected (I can think of few who did not pass through that stage; Thackeray's "Vanity Fair," for instance, was rejected by every contemporary publisher in London) to be considered not gainfully employed and sent down a coal mine? If so, I hazard a guess that the coal production figures will show a sharp drop over the next few months. Not that they are too good.. A great deal was made made over the spurt before Christmas week, but when the festive days were over, there was a relapse. The fact that miners might speed up their output to earn for a good Chrismastide, appeared to have escaped our legislators completely.

No reasonable human being will blame the miners. They are much in the arc-light of publicity nowadays, but it is not too long since they were in the shadows. We did not hear so much of them between the wars, when two men in three were always out of a job in the Rhondda valley; a thing which everyone forgets, except the miners themselves, who remember it too clearly and too often.

• • •

Russell Can't Solve Riddle of Socialism

To date there has been no rush by those officially designated as spivs and drones, butterflies and eels, to sign on for work at a Labor Exchange. No one sees himself as falling into any of those categories; and as to being gainfully employed, well, the Government have yet to define gainfully. It is on this rock of directed labor that the Socialist concept is bound to split. No one likes it and some of the people who dislike it most are supporters of the Government.

Lord Russell, better known as Bertrand Russell, the philosopher (he has been a Labor candidate in his time) broadcast the first in the new BBC series of talks on famous men. He chose, and he could not have chosen more aptly, to discuss John Stuart Mill, the nineteenth century champion of liberty, who happened to be Lord Russell's godfather. The godson quoted some passages in which Mill described the quandary that the logical Socialist must face; the quandary which makes personal freedom impossible in an officially planned state. Listeners all over Britain keyed themselves up to hear what the noted philosopher had to say about this. But Lord Russell could only tell us that the problem was one that had not yet been resolved.

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Meanwhile, we struggle on in a maze of coupons, points, bread units, personal points and identity cards; and the planners have abruptly switched over some of the supplies for women's clothes to the distracted male. This has not been entirely successful. Women's clothes have aimed at something that dressmakers call the New Look. I have not a notion what it means, but it is the latest slogan in the dressmaking world.

Now the folk who clothe us have switched over some of their cutters to follow the little trickle of material along the new channel into which it has been so laboriously directed. They have tried to infuse this New Look into male attire, and the shop windows are showing waisted sports jackets and trousers which look like women's slacks. My newspaper also refers today to color schemes that eclipse even the most advance proposals of the "brighter-wear-for-men" movement."

• • •

I am tempted to promote Robert Burns, whose memory we recently celebrated in the traditional way, to rank with the major prophets. Did he not warn our planners that the best laid schemes of mice and men gang aft agley. Into which of these categories of life the poet would have put some of our bureaucrats, I doubt if even Lord Russell could say.

O. B. THORNTON

has been elected a director and a vice-president of Montreal Trust Co., of which he was formerly general manager.

COMPANY REPORTS

VICTORIA TRUST & SAVINGS 1947 net profit was $80,795 compared with $66,363 for 1946. All departments of the company's business show satisfactory increases and during the year new business was received by the Estates Department from more distant places than ever before which strengthens directors' conviction that this department will continue to be of ever-increasing importance to the development of the company, President T. H. Stinson states.

Total assets under administration have increased during the year by $2,057,922 and now amount to $16,385,492. The general reserve has increased from $500,000 to $650,000 by premiums on sale of capital stock and by transfer from investment reserve and from the year's earnings.

	1947	1946
Liab. to public, etc.*	$12,088,934	$10,419,452
Shareholders' equity	1,814,335	1,574,553
*Secured by:		
Mtges. & sls. agree.	6,822,886	5,453,107
Realty for sale	40,825	29,317
Office premises	24,200	29,200
Liquid assets†	7,015,358	6,482,381
Total	13,903,269	11,994,005
†Includes bonds and stocks.		
Estates account	2,482,223	2,333,565
Earned per share	$7.28	$7.17
Paid	6.00	5.25

CROWN TRUST CO. 1947 net profit was $131,996 as compared with $114,754 in 1946. Total assets under administration of $94,696,789 represented an increase of $3,712,730. Guaranteed accounts of $12,711,014 compare with $12,907,768, while estates, trusts and agencies under administration increased to $80,003,149 from $76,146,070.

Expanding business required larger premises in Winnipeg and these were obtained by the purchase of a suitable centrally located office building on Main St. Crown Trust is the new corporate name, having been approved by a Special General Meeting of shareholders in Dec., 1947.

	1947	1946
Liab. to public, etc.*	$12,816,353	$13,029,360
Shareholders equity	1,877,287	1,808,629
*Secured by:		
Mtges. & sls. agree.	6,159,146	5,817,602
Office premises	480,090	421,437
Liquid assets†	8,054,404	8,598,950
Total	14,693,640	14,837,989
†Includes bonds and stocks.		
Estates account	80,003,149	76,146,070
Earned per share	$10.41	$9.37
Paid	5.00	4.00

CANADA TRUST CO. net profits were $17,540 higher at $105,105 in 1947. An increase from $36,160,878 to $92,594,713 in estates, trusts and agency accounts reflected the merging of Canada Trust Co. and London and Western Trusts Co. last year. Total assets now exceed $100 millions, up from $45.9 millions at end of 1946.

Deposits by the public in guaranteed deposit certificates amounted to $5.7 millions and investments in guaranteed trust certificates are carried at $7.4 millions.

Directors have declared a dividend of 3½% for half-year ending June 30 next, being at rate of 7% per annum. Company paid 6% in 1947.

	1947	1946
Liab. to public, etc.*	$13,533,747	$7,995,186
Shareholders' equity	1,759,781	1,741,506
*Secured by:		
Mtges. & sls. agree.	7,148,967	4,658,399
Liquid assets†	8,144,561	5,078,293
Total	15,293,528	9,736,692
†Includes bonds and stocks.		
Estates account	92,594,713	36,160,878
Earned per share‡	$10.51	$8.76
Paid	6.00	6.00
‡Based on amount paid up on subscribed capital.		

STERLING TRUST CORP. 1947 net profit was $77,710 as compared with $75,271 the previous year. Guaranteed trust funds increased by more than $350,000 and now stand at an all-time high. Estates, Trust and Agencies also are higher by $440,000 and total assets now exceed $12 millions. Earnings for the year are equal to 9.41% on the paid-up capital. Liquid assets, represented by Government, municipal and corporation bonds and cash, amount to $1,494,879 which is considerably in excess of the total due to savings depositors. Construction difficulties have delayed opening of Barrie branch but completion of building is now in sight and opening for business is expected this spring.

	1947	1946
Liab. to public, etc.*	$3,931,986	$3,584,912
Shareholders' equity	1,077,164	1,038,671
*Secured by:		
Mtges. & sls. agree.	2,786,072	2,740,698
Realty for sales	6,082	6,082
Office premises	100,171	89,760
Liquid assets†	2,116,825	1,787,043
Total	5,009,150	4,623,583
†Includes bonds and stocks.		
Estates account	7,071,169	6,631,690
Earned per share‡	$9.41	$9.13
Paid	5.00	4.50
‡Based on amount paid up on subscribed capital.		

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New Horizons of Public Service

The Great-West Life's growing responsibility for security and protection was widely extended in 1947. There are now more than 360,000 policyholders in Canada and the United States.

New protection of $195 millions was issued to more than 58,000 policyholders through the Company's representatives during the year.

Payments to policyholders and beneficiaries amounted to $19 millions. A further sum of $27 millions was added to the amount—now over $300 millions—held to meet future obligations to them.

The year's results are further evidence that the entire Great-West Life organization is united in the common endeavor of serving the best interests of its policyholders.

NOTEWORTHY FIGURES

	1947	1946
Business in Force	$1,207,000,000	$1,057,000,000
New Business	195,000,000	173,000,000
Assets	304,000,000	275,000,000

A booklet outlining the Company's operations in 1947 will be mailed to policyholders shortly

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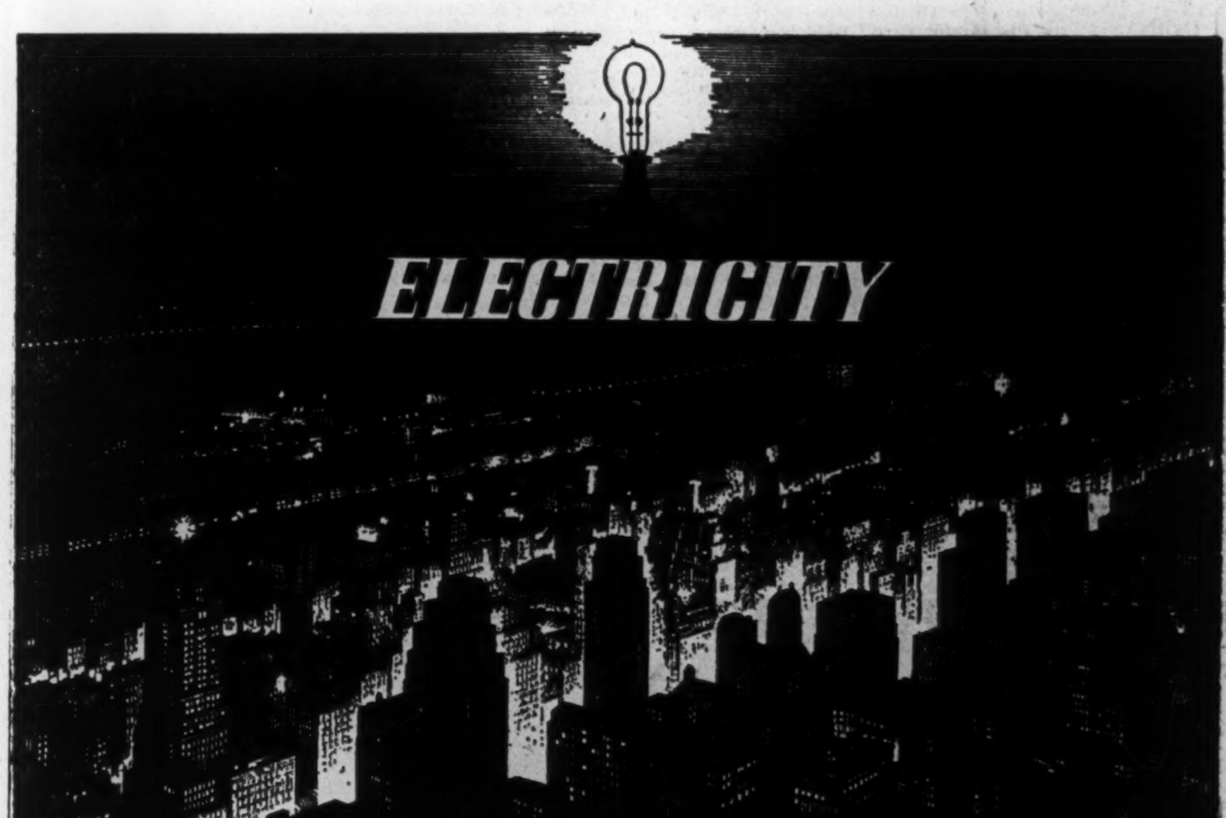
ELECTRICITY



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Even before the incandescent lamp was invented, Copper had helped make the telegraph practicable. For Copper, of all commercial metals, has the highest electrical conductivity.

Just as in the beginning, Copper is still the basic metal of the electrical industry. Copper goes into the generators that produce electric power . . . the wires that transmit it . . . the household appliances and the electric motors that put it to daily use. But high conductivity is only ONE of Copper's distinctive qualities. With its alloys, Bronze and Brass, it is highly resistant to corrosion. It is readily workable . . . extremely ductile . . . unusually durable.

These qualities of Copper and its alloys have made it basic to every application of electricity—transportation, communications, illumination, refrigeration, and electronics. And a large percentage of the Copper and Copper alloys produced by Anaconda is utilized by the electrical industry.

ANACONDA Copper and Brass

Anaconda Copper & Brass

ANACONDA AMERICAN BRASS LIMITED
Main Office and Plant: New Toronto, Ont.
Montreal Office: 939 Dominion Square Bldg.

SINCE 1922 HEADQUARTERS IN CANADA FOR COPPER AND BRASS